

ARBITRATION BEFORE RESOLUTE SYSTEMS, LLC

REGENCY HOMEBUILDERS, LLC,

Claimant

v.

No. 6339966

JULIE PEREIRA and JOE PEREIRA,

Respondents.

STATEMENT OF CLAIM

Comes now Claimant, Regency Homebuilders, LLC (“Regency”), by and through its undersigned counsel, and submits its Statement of Claim against Julie and Joe Pereira as follows:

INTRODUCTION

1. Since 2007, Regency has built homes throughout the Mid-South, including Memphis, Arlington, Lakeland, Bartlett, Olive Branch, Southaven and Fayette County.
2. This arbitration arises from the Joe and Julie Pereira’s defamatory and disparaging comments regarding Regency’s construction of a house purchased by the Pereiras.
3. On May 27, 2022, Regency initiated an arbitration (the “First Arbitration”) against Ms. Pereira with Resolute Systems, LLC (“Resolute”) asserting claims for defamation and breach of contract arising out of Ms. Pereira’s defamatory and disparaging statements regarding Regency. The Pereiras filed a counterclaim on May 31, 2022. Resolute suspended the First Arbitration in December 2025 due to the Pereiras’ failure to pay the fees assessed by Resolute.

4. Unfortunately, after the Statement of Claim in the First Arbitration was filed, the Pereiras made numerous other disparaging and defamatory public statements regarding about Regency, which has necessitated this filing of this second, separate arbitration.

THE PARTIES

5. Regency is a limited liability company existing and organized under the laws of the State of Tennessee with its principal place of business in Memphis, Tennessee.

6. Julie Pereira is an adult resident of Shelby County, Tennessee who resides at 5055 Adagio Lane, Lakeland, Tennessee.

7. Joe Pereira is an adult resident of Shelby County, Tennessee who resides at 5055 Adagio Lane, Lakeland, Tennessee

MANDATORY ARBITRATION

8. The Agreement requires that all disputes between the parties shall be submitted to binding arbitration. *See* Agreement at ¶ 9, attached as **Exhibit 1**.

9. The Warranty contains a similar provision, requiring all disputes to be submitted to binding arbitration. *See* Warranty at page 2 of 30, attached as **Exhibit 2**.

10. Regency demands arbitration in accordance with the requirements of the Agreement and the Warranty.

FACTS

11. Regency incorporates by reference its Statement of Claim filed against Julie Pereira on May 27, 2022, and is attached as **Exhibit 3**.

12. Julie and Joe Pereira contracted to purchase a home from Regency in April 2020. The Pereiras executed a New Home Sales Agreement (the "Agreement") with Regency for the

purchase of a lot and house to be constructed at 5055 Adagio Lane in Lakeland, Tennessee (the “House”). *See* Ex. 1.

13. The total sales price for the House was \$680,707.00.

14. The Memphis and Shelby County Office of Construction Code Enforcement issued the Certificate of Occupancy for the House on June 2, 2021, which is attached as **Exhibit**

4. The House was substantially complete on this date.

15. The closing occurred on June 4, 2021.

16. After closing on the House, Ms. Pereira commenced a smear campaign against Regency that has been publicly available on her Facebook pages and in other forums.

17. Section 35 of the Agreement provides that Regency and the Pereiras would not disparage or defame each other:

Purchaser and Seller covenant and agree that neither party will engage in any pattern of conduct that involves the making or publishing of written or oral statements or remarks (including, without limitation, the repetition or distribution of derogatory rumors, allegations, negative reports or comments) which are disparaging, deleterious or damaging to the integrity, reputation or goodwill of the Purchaser or Seller, their respective members, owners, officers, employees and/or agents of their respective products or services. Purchaser and Seller understand that any violation of this Section shall result in a breach of the Agreement, and the non-breaching party shall have the right to pursue all remedies available to it under this Agreement.

See Ex. 1 § 35. Section 35 survives the termination of the Agreement. *Id.*

18. At closing, Regency provided the Pereiras a one-year, limited warranty, a copy of (the “Warranty”). *See* Ex. 3.

19. Regency and the Pereiras agreed that the Warranty limited Regency’s liability as follows:

The express limited warranties contained therein are in lieu of all other warranties, statutory or otherwise, expressed or implied, all other representations made by Builder and all other obligations or

liabilities with respect to said property, including any claim for breach of contract or any other cause of action, warranties of habitability, workmanlike construction, design conditions, quality, merchantability of fitness for a particular use and limit Purchaser's remedies and Builder's liabilities. In no event shall Builder's obligation exceed its obligation set forth in said warranty. In no event shall Builder be liable for consequential, incidental or punitive damages.

Id. (page 1 of 30), Ex. 2.

20. The Warranty provides that after providing written notice of a claimed defect to Regency, the Pereiras would provide Regency with a reasonable time to cure the claimed defect.

See Ex. 2 (page 2 of 30) ¶ B "Right to Cure."

21. The Warranty provides that the performance of any work under the Warranty does not extend the term of the warranty. Ex. 2 (page 1 of 30).

22. Within a short time after closing, Ms. Pereira made claims under her warranty, which were timely and appropriately addressed by Regency.

MS. PEREIRA'S DEFAMATORY POSTINGS

23. Ms. Pereira is a prolific poster on multiple Facebook accounts, TikTok and other social media platforms.

24. Upon information and belief, Ms. Pereira runs several online businesses where she frequently posts in order to influence others to purchase items or use certain discount codes, coupons and the like. Ms. Pereira is vested in promoting herself online and having a strong online presence.

25. Ms. Pereira receives compensation based on "engagement" with her posts, meaning that she is paid when people view, click, or comment on her posts.

26. As of filing, one of Ms. Pereira's Facebook accounts currently has approximately 2,900 followers ("Ms. Pereira's First Account"). A second Facebook account has approximately 1,400 followers ("Ms. Pereira's Second Account").

27. As of filing, Ms. Pereira's TikTok account has approximately 7,200 followers.

28. The general public also has access to Ms. Pereira's Facebook and TikTok postings because her privacy settings allow public access to her Facebook pages and TikTok account.

29. Ms. Pereira is also an administrator in the Facebook group "MAMAS DEALS!" where she states that she earns commissions from items purchased through her affiliate links. The "MAMAS DEALS!" Facebook group currently has approximately 3,900 members.

30. The Pereiras experienced some issues with their home post-closing that necessitated repairs. Regency timely and appropriately handled those repairs in accordance with its Warranty agreement with the Pereiras. In connection with these repairs, Regency provided the Pereiras with benefits and work that it was not legally obligated to provide under the Warranty.

31. Despite Regency's compliance with its obligations to the Pereiras under the Warranty, and despite Regency going above and beyond what was legally required or to address the Pereiras' concerns, Ms. Pereira publicized her grievances on Facebook, many times prior to giving Regency an opportunity to cure or complete a repair.

32. Since closing on the House, Ms. Pereira has almost continually posted derogatory, negative, disparaging, deleterious and/or defamatory remarks about Regency on her publicly-available Facebook pages and on other platforms. These initial posts are described in detail in

Regency's Statement of Claim filed on May 27, 2022 in the First Arbitration, which is attached as Exhibit 3 and incorporated herein by reference.

33. Beginning on January 24, 2025, Ms. Pereira began posting about "more major issues from the house from hell" with the hashtag #regencyVSpereira. The photos showed water damage to the floor on the first floor of the House.

34. In the comments of this post, Ms. Pereira disclosed that the water damage was not caused by Regency but instead was caused by someone in the House leaving a faucet running for several days.

35. Despite this fact, Ms. Pereira continued to blame Regency for the water damage to her home.

36. In another post from January 24, 2025, Ms. Pereira posted a video of commercial air scrubber fans in a bathroom with the caption "This is how I spell PTSD [emojis] #RegencyVSpereira." Ms. Pereira did not state that the water damage was caused by someone leaving a faucet running in her home, instead leaving the readers to believe the issue was caused by Regency.

37. Two days later, Ms. Pereira posted a video of the first floor of her home. The flooring appeared to have been removed throughout, and a concrete slab is shown. Ms. Pereira posted that "It is SO much worse than we thought it was. Our entire slab in the kitchen, living room, dining room, and morning room is mostly off the charts wet" and that the "extensive wetness seems to have nothing to do with the very minor dripping water issue from the upstairs bathroom." This video has been viewed 3,000 times.

38. In the comments of this post, Ms. Pereira implied that honeycombing in the House's foundation and/or exposed rebar in the House's foundation has caused the above referenced issue, which is false.

39. On January 29, 2025, Ms. Pereira posted a quote for \$261,984.72 from Redeemers Group, Inc. for piers to be installed throughout the home with the caption, "There are no words[.] We don't even know what to do anymore... #regencyVSpereira." Ms. Pereira did not disclose that the quote from Redeemers was not based on any recommendations by a structural engineer and was not necessary to correct any of Regency's work.

40. In the comments, Ms. Pereira implied that Regency bribed county officials to get the House to pass inspection, which is false. When someone asked what was happening with the House, Ms. Pereira responded: "the preliminary investigation seems to be a slow but catastrophic foundation failure." The Pereiras' House is not experiencing catastrophic foundation failure.

41. Ms. Pereira did not disclose that in 2021 and 2022, a structural engineer had inspected the home and stated that the House was "structurally sound" and there was "no evidence of any foundation settlement."

42. Ms. Pereira did not disclose that in 2023, a structural engineer inspected the House and determined that all cracks observed were "cosmetic in nature and not indicative of foundation failure" and that no foundation repairs were recommended based on those observations.

43. On January 29, 2025, Ms. Pereira also posted regarding the First Arbitration between Regency and the Pereiras. In this post she stated, "Nothing I have said about our experience, or our warranty issues on this house is anything but verifiable truth. If you know me, you know I come with receipts. If I say something, I have a photo, screenshot, a video or a

recorded conversation to back it up.” Ms. Pereira made similar comments in a video posted on February 14, 2025.

44. On January 30, 2025 and February 4, 2025, Ms. Pereira posted videos of the concrete slab in the House and implied that there was mold growing on the slab. Upon information and belief, this statement is false.

45. On January 31, 2025, Ms. Pereira posted a review of Regency with the Better Business Bureau. In this review, Ms. Pereira referred to an “incident at the house that required us to remove some of our flooring” but did not disclose that the “incident” was caused by someone in the home leaving a faucet running for several days. Ms. Pereira again attributed the moisture in the slab to Regency, and stated that it will cost \$261,000 to fix her foundation. Ms. Pereira also referenced a “belly in the concrete slab” referring to the plumbing issue Regency repaired in February 2022. This review placed Regency in a false light.

46. That same day, Joe Pereira posted: “This house has been nothing short of a nightmare. What we once thought was our dream home has turned into a complete disaster. This short clip is just a glimpse of what we’ve been dealing with since 2021—starting with the dishwasher disaster, then the massive trench caused by a water issue, and now a major leak from upstairs that has exposed significant foundation problems.” These statements are false and place Regency in a false light.

47. Ms. Pereira shared Mr. Pereira’s post and stated that she had lost the last 3 years of motherhood due to the First Arbitration with Regency. She posted: “Enough is enough. We are speaking up and speaking out. This isn’t a first for Regency either. There are dozens of stories very similar to ours with respect to foundation issues, improper grading, incomplete/improper grading, water leaks, mold, and such. But it seems like our house got

ALLLLL the issues. We are done being silent. I've got receipts for days- recordings, videos, photos and more documentation than you would believe. Please help us get the medias attention on this. This company and these individuals need to be held accountable.” These statements regarding the issues with the House are false and place Regency in a false light. In the comments, a follower asked that Ms. Pereira tag the builder “so that we can all go rate them.” Ms. Pereira responded: “regency homebuilders is the builder.”

48. On February 4, 2025, Ms. Pereira posted more footage of the concrete slab at the House and did not disclose that the issue stemmed from someone leaving a faucet running for several days. She further implied that the flooring had been pulled up because the House has a “major foundation issue” and stated that there has been a “catastrophic failure” of her foundation and “major signs of foundation problems” on the north side of the House. Ms. Pereira again stated that tree roots ran under the foundation of the House and that Regency told their real estate agent that piers were placed under the House because of that. These statements are false.

49. On February 6, 2025, Ms. Pereira posted a video called “From Dream Home to Legal Nightmare.” Mr. Pereira shared this video on the same day to his Facebook page. Thereafter, Ms. Pereira continued to share the video, both on her page and in groups including the group “MAMA’S DEALS!” and others. This video has been viewed at least 150,000 times and, to date, has 341 comments on Facebook. In this video, Ms. Pereira makes multiple false claims including but not limited to: there are tree roots under the House’s foundation, which has caused issues with the House’s foundation; that Regency told the Pereiras that piers were placed under the House to counteract any potential issues from the supposed tree roots; that the fill dirt under the House’s patio should have been inspected by Shelby County; the bottom portion of the patio is “breaking off;” that Regency “defrauded” the Pereiras for their upgraded dishwashers;

that the yard has a drainage issue; that Regency is responsible for the supposed high moisture on the concrete slab, requiring that 50% of the flooring be pulled up; that the House needs piers throughout and that there are indications of “slow catastrophic failure” of the House’s foundation. These statements are false. To the extent this includes a statement of opinion, it implies that there are other undisclosed defamatory facts that justify any opinion.

50. In the February 6, 2025 video, Ms. Pereira stated that during the plumbing repair performed under the Warranty, it was determined that a footing was missing under a load bearing wall. She further stated that a crack in the concrete slab developed after the repairs were made. However, Ms. Pereira did not disclose that a structural engineer oversaw and recommended certain repairs to remedy any issue relating to the missing grade beam and further opined that repaired slab is “structurally sound.” Ms. Pereira also did not disclose that a structural engineer inspected the referenced crack in the concrete slab and found that there was no evidence of any foundation settlement.

51. In the February 6, 2025 video, Ms. Pereira described issues with the House, but failed to disclose that Regency remedied the majority of the issues the Pereiras raised with Regency under the Warranty.

52. On February 7, 2025, Ms. Pereira implied that Regency has bribed Shelby County officials, “which is the only authority over our build.” This statement is false.

53. On February 10, 2025, Ms. Pereira posted that her foundation was poured before her concrete was delivered. This is false.

54. On February 11, 2025, Ms. Pereira referred to Regency as “corrupt individuals who use their relationship with God as a weapon,” which is false. To the extent this includes a

statement of opinion, it implies that there are other undisclosed defamatory facts that justify any opinion.

55. On February 12, 2025, Ms. Pereira implied that prior to closing, Regency refused to provide her with the House's survey, grading plan, foundation inspection, bore tests, landscape plans and tree protection plan to hide the compaction tests from her. That is false. Ms. Pereira posted that "I am beyond appalled that we continue to be subjected to what now **appears** to be very criminal acts of negligence and blatant dishonestly [emojis] by the builder and some of their subcontractors. The deeper I dig into this, the more horrified I become at the level of deception, dishonest and lack of transparency." These statements are false and place Regency in a false light. To the extent this includes a statement of opinion, it implies that there are other undisclosed defamatory facts that justify any opinion. Ms. Pereira further stated that the compaction tests performed by B&W Engineering were "insufficient to determine if there was enough compaction because it did not go to native soil." She further stated, "Most of the problems we have in this house to date have to do with the improper pouring of the foundation, improper buildup, the insufficient compaction testing, and a soft backfill." These statements are also false.

56. On February 12, 2025, Ms. Pereira posted that the House has foundation issues and implied that the House's alleged foundation issues have caused the slab to be too wet to put down flooring, both of which are false.

57. On February 28, 2025, Ms. Pereira posted a GoFundMe to raise money for the arbitrator's fees and other arbitration related expenses, in which she made additional false claims regarding Regency and placed Regency in a false light, including but not limited to: that Regency knew about and lied about an issue with a dishwasher in the House that flooded the

kitchen; that Regency did not repair the plumbing defect/missing grade beam; that Regency did not make repairs to the roof, windows, and doors after leaks were reported under the Warranty; that the House's backyard floods with "feet of standing water that often lasts for weeks after every rain;" that the "patio is cracked in half with differential;" the foundation is failing and "is so compromised that we cannot currently place flooring on the concrete slab because it is too wet . . . – even after weeks of dehumidifiers, fans and trying to reacclimate it." That same day, Ms. Pereira shared the GoFundMe with additional disparaging and defamatory comments in the group "MAMA'S DEALS!"

58. The post had its intended effect. On March 17, 2025, Ms. Pereira posted that they reached their fundraising goal of \$10,000, but implored others to continue sharing "our story" as "we have another \$5k to our overall goal and are really hoping the media will pick this up."

59. On March 21, 2025, Ms. Pereira posted a photo of an outdoor sink detached from its undermount and asked, "Statistically speaking, what are the odds of two sinks at our house dropping from their undermount??" Multiple commenters responded that the chances were very high, with one saying "At your house I would say it's 100 percent .. never seen so many problems out of a house."

60. On March 25, 2025, "On today's episode of the dream house from hell [emojis] The number of problems we've had with this house are just unprecedented and I do not understand.. It is really inexplicable. . . . Living here has almost become a guessing game of what we're going to find this week – and how major or minor it's going to be." Ms. Pereira included a video showing some paint peeling on her kitchen cabinets due to water dripping from her sink.

61. On April 5, 2025, Ms. Pereira posted, " On this week's update of the dream house from hell, I've got a [emoji] Late post... Last week we discovered the gate on our fence no

longer closes because all of the water that sits in pools in this area has warped the fence post footings” with the hashtag #RegencyVSpereira.

62. On July 5, 2025, Ms. Pereira posted a video in which she stated that Regency sued her after selling her a “defective home.” She then states “Let me show you one of the many things they did.” While singing, Ms. Pereira stated that Regency “messed up” her house plans and failed to include a 3-foot addition to the morning room. These statements are false. She further sings that Regency built the House “on fill, not sure it’s compacted right; now the cracks run deep and the plumbing’s a fright.” Along with this, Ms. Pereira posted photos of the plumbing repairs from February 2022. These statements are false and place Regency in a false light, as it implies, among other things, that the House is currently experiencing plumbing issues. In the caption, Ms. Pereira wrote: “We paid for a 3-foot ‘bump out’ in the morning room that Regency never built and we have concerns about proper compaction, footings that can’t seem to be sourced and cracks everywhere. But they are suing ME for talking about it??? This isn’t just our fight – this is how builders keep getting away with fraud” While Ms. Pereira is correct that Regency sued her for her previous defamatory posts, the remaining statements are false. To the extent this includes a statement of opinion, it implies that there are other undisclosed defamatory facts that justify any opinion.

63. Beginning on July 5, 2025, Ms. Pereira also began adding the hashtags #CosntructionFraud #CodeViolations to her posts about Regency. The use of these hashtags further defames Regency and imply that Regency engaged in fraud, committed code violations, and that Ms. Pereira has undisclosed defamatory facts upon which she bases her posts and hashtags.

64. On July 6, 2025, Ms. Pereira posted that the House has “no footings.” This is false. She further posted that the “slab was poured over 4 feet of untested fill” and that “there are “structural issues everywhere,” both of which are also false. Ms. Pereira also implied that her foundation was not “engineer stamped and approved.” This is false. A licensed engineer, Linda Prather, did stamp and sign off on the Memphis and Shelby County Code Enforcement Engineer Footing/Foundation Form Letter for the House.

65. Similarly, on July 7, 2025, Ms. Pereira posted: “We paid for a dream. We got a ticking time bomb with pipes in the wrong places, fill dirt instead of footings, and a slab that is perpetually wet. This isn’t just bad construction- it’s fraud, negligence, and a total disregard for safety or accountability. These photos are from our actual home. A home where a family should feel safe. A home that was supposed to be built to code.” This falsely implies that the House currently has pipes in the wrong place, that the House does not have footings, and that a foundation issue caused excess moisture in the slab, and that the House does not comply with code requirements, all of which are false. In the video, Ms. Pereira sings that the House is missing a footing and shows photos from the plumbing repairs in February 2022. Ms. Pereira did not disclose that a structural engineer oversaw and recommended certain repairs to remedy any issue relating to the missing grade beam and further opined that repaired slab is “structurally sound.” Ms. Pereira further sings that the welded wire mesh is a “useless load carrier” and implies that the placement of welded wire mesh affects the load bearing capacity of a foundation. This is also false. She further sings that “can’t find any footings” for the House. This statement is also false. This post also places Regency in a false light.

66. On July 9, 2025, Ms. Pereira posted a video on TikTok of a crack in the exterior brick of the House, calling it the “crack that keeps growing.” Ms. Pereira continued to post

regarding cracks in the House on July 24, 2025; August 22, 2025; September 7, 2025; and September 8, 2025. Ms. Pereira has stated or implied that these are indicative of a foundation failure or other foundation issue, which is false.

67. On July 11, 2025, Ms. Pereira posted that it was Day 153 without flooring and attributed this to Regency. As of June 2, 2025, the date that Regency inspected the House, the moisture readings indicated that flooring could be placed on the concrete slab. As of that date, the moisture content of the concrete slab was within the accepted moisture range for flooring to be installed. Despite this, Ms. Pereira has continued to post that Regency was responsible for the lack of flooring in the House and that the slab was too wet to place flooring on: August 18, 2025 (in an update to her GoFundMe); August 25, 2025; September 7, 2025; September 14, 2025; September 24, 2025; September 25, 2025; September 29, 2025; October 1, 2025; October 5, 2025; two posts on October 24, 2025; October 29, 2025; and December 2, 2025.

68. On July 12, 2025 and July 13, 2025, Ms. Pereira posted that “I believe [Regency] knew they cut MAJOR corners on our home, especially after the dishwasher debacle and the 26 foot trench with exposed WASTE LINES) [sic] and therefore had a vested interest in silencing me.” This statement places Regency in a false light. To the extent this includes a statement of opinion, it implies that there are other undisclosed defamatory facts that justify any opinion.

69. On July 13, 2025, Ms. Pereira also posted regarding the installation height of her vent hood. The vent hood is installed in accordance with code requirements and is a condition that existed at the time of closing. This post places Regency in a false light.

70. On July 13, 2025, Ms. Pereira also posted regarding nail pops in the House, stated that the stairs in the House are separating from the wall, and made negative comments regarding drywall seams in the House. In the comments of this post, Ms. Pereira attributed this to

foundation issues. This is false. Ms. Pereira has made similar comments and posts on November 19, 2025; November 25, 2025; January 5, 2026; January 13, 2026; and January 20, 2026.

71. On July 17, 2025, Ms. Pereira posted a video in which she states, “A new day and a new thing broken in my Regency home from hell.” Her video shows a barn door sliding on a track with hardware that moves when pushed and pulled. She then states that she first noticed an issue with a barn door in the House back in 2022 and requested information regarding the hardware from Regency then. This issue was not raised by the Pereiras during the Warranty period. Ms. Pereira further states that there is no frame around the door, a condition which existed at the time of closing. This post places Regency in a false light.

72. On July 23, 2025, Ms. Pereira posted, “On today’s episode of what broke in the house from hell... We complained about these cabinet door [sic] is falling apart almost immediately and I believe we even submitted a warranty ticket shortly after moving in. I remember being told that these were not covered because they couldn’t prove how they got damaged-and I feel like the implication was that my kids did something. . . . Well it finally happened, one of the doors fell completely off on one of the hinges.”

73. On July 23, 2025, Ms. Pereira thanked her followers for their engagement with her posts. “Every last dollar I earn from fb will be going to fight our house lawsuit. So please, I beg of you-keep commenting and liking and engaging. Please.” Ms. Pereira posted a screenshot of an email from PayPal showing that Facebook sent her money from the engagement with her posts.

74. On July 23, 2025, Ms. Pereira attempted to tag Tennessee’s attorney general, stating that Regency’s conduct in the First Arbitration “should have been referred to your office by the arbitration company back in 2022 – but it was not.”

75. On July 25, 2025, Ms. Pereira posted that Regency’s attempts to subpoena third parties for depositions in the First Arbitration was an attempt to “intimidate or harass innocent people.” This is false and places Regency in a false light.

76. On August 8, 2025, Ms. Pereira posted regarding separation in her baseboards, which she claimed appeared overnight, and stated: “And yeah yeah yeah I know that it’s not uncommon for baseboards to separate... But have you met my house? #RegencyVSpereira.” Commenters responded that it seems the issues never end with the House.

77. On August 18, 2025, Ms. Pereira increased her GoFundMe fundraising goal to \$100,000.

78. On August 22, 2025, Ms. Pereira posted in a Bartlett Community Facebook Group seeking a custom homebuilder to testify on her behalf in the First Arbitration. In the post, Ms. Pereira claimed that the property on which the House was built was “flat” at the time of contracting, which is false. She further stated that Regency “didn’t compact [the fill] correctly” which is false and “the engineering firm that signed off on our foundation hasn’t been licensed since 2004,” which places Regency in a false light. A licensed engineer, Linda Prather, stamped and signed off on the Memphis and Shelby County Code Enforcement Engineer Footing/Foundation Form Letter for the House. Ms. Pereira further stated that “Shelby County has already issued an opinion and the state is involved as well.” This statement further places Regency in a false light as it falsely implies that the State has substantiated Ms. Pereira’s allegations.

79. On August 26, 2025, Ms. Pereira posted a portion of Regency’s pleading from the First Arbitration in which Regency stated that it provided numerous upgrades to the House as a courtesy to them. Ms. Pereira wrote: “[S]ince when is providing a customer with something they pay for on the contract giving them an ‘upgrade as a courtesy’ I PAID FOR IT YOU SILLY GOOSE [emoji] Last time I checked, the only thing Regency has done for us is cost us a shit ton of money, time and energy.” This statement is false and places Regency in a false light. By way of example, Regency and/or its subcontractors, at no additional cost to the Pereiras, provided loaner appliances when the Pereiras’ selections were backordered, repainted the outdoor living area ceiling because the Pereiras did not like the color they chose, reworked the outdoor living area seat wall, re-stained stair treads, replaced cabinets that had cosmetic damage that could not be seen, provided a custom panel for their trash compactor, provided reimbursement for meals and expenses during the plumbing repairs in February 2022, touched up and repainted most of the downstairs after the plumbing repairs in February 2022, and replaced two toilets with upgraded high velocity flush toilets.

80. On August 29, 2025, the Pereira’s experts in the First Arbitration prepared reports regarding the House. Prior to this date, no engineer had provided **any** opinion to support the Pereiras’ false and disparaging statements that the House’s foundation was failing. Prior to this date, the Pereiras were negligent in posting false statements regarding the House’s foundation, and/or acted with willful, reckless and/or intentional disregard as to the falsity of their statements.

81. On August 29, 2025, one of the Pereiras’ experts, Mr. Richard T. Edwards, opined that the soil below the House lacked the necessary bearing capacity to support the House and was not properly compacted. Mr. Edwards is a **mechanical** engineer—not a geotechnical

engineer. Mechanical engineering does not include any aspect of geotechnical engineering. Another of the Pereiras' experts, Bobby G. Kendall, relied upon the soil testing performed by Mr. Edwards, to conclude that the fill did not comply with the applicable building code and had strength capacities lower than required by the applicable building code. A reasonably prudent person could not rely upon soil testing by a mechanical engineer who is not qualified to give opinions on soil testing. As of this date, the Pereiras' were negligent, willful, and/or reckless in posting their statements regarding the House's foundation, as they knew or reasonably should have known that Mr. Edwards is not qualified to give opinions on the compaction or load bearing capacity of the soils under the House's foundation.

82. On August 30, 2025, Ms. Pereira posted that a local news source has run a story about a family who was "scammed" by a pool contractor who abandoned the project but they "wont touch #regencyVSpereira." She continued: "Just a QUESTION- is someone being paid off? How deep does the deception run?" By implying Regency has paid off local news sources, Ms. Pereira placed Regency in a false light. To the extent this includes a statement of opinion, it implies that there are other undisclosed defamatory facts that justify any opinion.

83. In the comments of the local news story, a follower of Ms. Pereira tagged her and stated: "They will run a story on unscrupulous pool contractor but nothing on a local builder failing to resolve a foundation cracking, leaking, caving, etc." Another commenter asked "Who is the local builder?" Ms. Pereira responded "regency. Just click on my hashtag #RegencyVSpereira." The commenter responded "thank you! I'm in the process of building and wanted to make sure I wasn't about to get fleeced." Ms. Pereira also commented "they won't cover my regency story [emoji] And the fact that regency has had hundreds of foundations certified to Shelby county by and engineering firm that hasn't been licensed since 2004. . . . The

question is why no News station interested or willing to do it.” These comments are defamatory and place Regency in a false light.

84. On September 5, 2025, Ms. Pereira posted Regency’s expert disclosures in the First Arbitration and stated that “it’s not defamatory or disparagement if it’s true” and stated she can back everything she has said up with “photo video and now reports from engineers.”

85. On September 6, 2025, Ms. Pereira posted a photo of stairs to the outdoor living area at the House. Ms. Pereira posted “This house might be trying to kill me [emoji] To be clear, these stairs aren’t supposed to move. They’ve been shifting as the patio sinks and shifts and today I stepped on the bottom on kind of off to the right as that is the direction I was heading in the backyard, the back lifted up and I went tripping forward. Thankfully I landed in the grass. . . . #RegencyVSpereira.”

86. On September 7, 2025, Ms. Pereira posted in the comments on a post “We have proof our foundation is failing. We have proof of fraud. We have proof of code violations.” These statements are false and place Regency in a false light. To the extent this includes a statement of opinion, it implies that there are other undisclosed defamatory facts that justify any opinion.

87. That same day, Ms. Pereira posted “Yesterday it rained – and unfortunately our porch now seems to retain water instead of it draining off the front like it used to.” In the comments, Ms. Pereira again stated that the House has a failing foundation. This is false.

88. On September 10, 2025, Ms. Pereira posted that Facebook has recognized her for starting engaging conversations and producing inspiring content.

89. On September 14, 2025, Ms. Pereira posted a video of a faucet dripping with water running onto the counter with the caption: “In case you were wondering how our 2nd floor

sink caused water damage onto our 1st floor and why we've been living on concrete on most of the 1st floor since January 2025 (and it's now September). Yes we submitted this as a warranty claim to regency WITH video. Yes, of course they denied the warranty claim.” Ms. Pereira did not submit a warranty claim regarding the bathroom that caused the flooding. In the video, Ms. Pereira includes text stating that the faucet was installed too short of a reach under the manufacturer's installation instructions, which is false. Ms. Pereira made similar comments in posts on September 24, 2025; in the comments of her post on October 1, 2025; in the comments of a FOX13 Memphis post on October 4, 2025; October 5, 2025; October 24, 2025; October 29, 2025; December 13, 2025; and December 24, 2025.

90. On September 24, 2025, Ms. Pereira posted that a contractor she engaged to make repairs due to the water damage in January 2025 stole money from her. Her posts regarding this individual, Taylor Bryant, and his company, who are not in any way affiliated with Regency, contain the hashtag #RegencyVSpereira. These posts place Regency in a false light as they imply that Regency is responsible for this individual's alleged theft. Ms. Pereira shared this post to the group “MAMA'S DEALS!” and elsewhere.

91. On September 25, 2025, Ms. Pereira posted that her fridge and icemaker were connected to a singular water source, which is a code violation. This is false.

92. On September 28, 2025, Mr. Pereira posted: “That's awesome , you win. I'm talking about the people who drove me to a point where I don't even know who I am anymore. What I do know is that I'm angry and filled with hatred toward those who have made my life a living hell. Regency and Taylor Bryant, I hope you're proud of yourselves for you've 'stolen' from me and my family. Regency, there isn't a forum big enough to hold the hatred and disgust I have for you. You've put my family through hell and for what? You built a trash house, you

know it, and yet you're willing to drag a family through the ringer instead of doing the right thing. . . . So congratulations. You win. I've lost everything. I wasn't strong enough to pull through this. You've taken more from me than money or a house could ever represent. I hope you're happy, and I hope you always remember the name Pereira and how you destroyed my life. Thank you and go [expletive] yourself." These statements are false and place Regency in a false light, and they imply undisclosed defamatory facts to support these statements.

93. On September 29, 2025, Ms. Pereira shared her husband's post and added her own comment: "Hate is a strong word. I can't remember the last time I used it in describing my feelings toward a fellow human. But I hate Regency Homebuilders, LLC and all the employees involved in what has happened to our family from Sean Carlson, Jere Bowden, Jill Suggs, Elizabeth Barzizza, Todd Rotan, Daniel Phillips to their attorneys Shea Wellford and Abby Stephens at Martin Tate. These people represent the lowest of the low scoundrels. . . . Someday they will have to answer to the man upstairs and they will endure far worse than what any court will do here. If you find yourself surrounded by any of the people named above, I highly suggest you reevaluate your relationships with them. The level of deception, greed and love of money over accountability and behaving in good faith is abhorrent and it is incredible that people like this can call themselves Christians." These statements indicate that Ms. Pereira's primary motivation in posting about Regency is to harm Regency. Moreover, these statements are false. To the extent this includes a statement of opinion, it implies that there are other undisclosed defamatory facts that justify any opinion. In response, one commenter stated "I will never deal with Regency homebuilders." Another follower shared the post and stated, "Make yourself familiar with the names listed in this post."

94. After counsel for Regency brought these posts to opposing counsel's attention, Ms. Pereira removed the references to Ms. Wellford and Ms. Stephens from the post, but has otherwise refused to remove the reference to Regency's employees further indicating that Ms. Pereira's motivation was predominantly to harm Regency and its employees.

95. On September 30, 2025, Ms. Pereira posted that the House has a failing foundation, which is false. On October 1, 2025, Ms. Pereira, in a video referencing "fraud on our house" and "foundation that is falling apart" and requested that everyone share her story so that she can get the justice they deserve. These statements are false and place Regency in a false light.

96. On October 1, 2025, Ms. Pereira posted that she needed a company to create a sign reading "REGENCY BUILT ME A LEMON WITH A FAILING FOUNDATION, AND THEN SUED ME [+ add QR code]." In the comments, she stated: "We recently discovered that our foundation is failing, regency had an unlicensed engineering firm sign off on the foundation in our house and at least 32 other homes in this neighborhood and probably many more throughout the state of Tennessee, so people need to know." One person commented: "The unlicensed engineer is freaking crazy!!!" These statements are false and place Regency in a false light. The House's foundation is not failing and a licensed engineer, Linda Prather, stamped and signed off on the Memphis and Shelby County Code Enforcement Engineer Footing/Foundation Form Letter for the House. Ms. Pereira further implied that Regency has bribed news outlets to keep her "story" out of the news, which is also false. Ms. Pereira made similar comments on October 3, 2025 with a photo of a mock-up of the signs referenced in her October 1, 2025 post.

97. On October 2, 2025, Ms. Pereira stated that she was "blackmailed" and "bullied" into closing on the House. This is false.

98. On October 3, 2025, Ms. Pereira posted about her website “coming soon”: www.regencyhomebuildersexposed.com with a photo of the House while under construction. The website contains multiple false, defamatory statements and places Regency in a false light. By way of example, the page “See the violations” states: “These photos show the reality behind the walls - the foundation failures, code violations, negligence, water damage, and structural issues that were hidden from us.” Some of the photos show the House during construction or while repairs were being made by Regency. The website references Regency’s “fraud” without providing any supporting information. Regency has not engaged in any fraud with respect to the House. The website also provides links to Ms. Pereira’s GoFundMe page, PayPal, and Venmo.

99. On October 4, 2025, FOX13 Memphis posted a link to story regarding the Pereiras’ claims against Taylor Bryant, the contractor hired by the Pereiras who was alleged to have stolen money from the Pereiras. In the comments, Ms. Pereira stated that they now know they have “missing footings, code violations, fraud certifying our foundation to Shelby county.” She also commented that she has been fighting against Regency for their “fraud and deception.” These statements are false and place Regency in a false light. To the extent this includes a statement of opinion, it implies that there are other undisclosed defamatory facts that justify any opinion. Ms. Pereira made similar comments in a post on October 18, 2025.

100. That same day, Ms. Pereira posted about the effects of “Regnecys [sic] Fraud, fraudulent inducement and deceptive practices.” These statements are false and place Regency in a false light. To the extent this includes a statement of opinion, it implies that there are other undisclosed defamatory facts that justify any opinion.

101. On October 8, 2025, Ms. Pereira updated her GoFundMe fundraiser: “What we do know now thanks to two great engineers is that our foundation **IS** failing, and it is due to

improper compaction by the builder, high water content of our soil, not using engineered fill dirt, missing/incomplete footings, and footings that do not meet the code requirements of a minimum of 13 inches into undisturbed/native soil. There is also still the MAJOR issue of the engineering firm that signed off on our foundation to the county (and at least 32 other homes in our neighborhood) **NOT BEING LICENSED** since 2004.” These statements are false for the reasons stated above. The footings at the House exceed 12 inches in depth and are therefore compliant with the applicable building codes. Ms. Pereira has reposted this link numerous times.

102. On October 16, 2025, Ms. Pereira posted about the “mudding and paint job our thieving contractor did” with the hashtag #RegencyVSpereira. This post falsely implies that Regency is the “thieving contractor” or is otherwise responsible for the alleged theft.

103. On October 17, 2025, Ms. Pereira posted that they were still raising funds and posted their GoFundMe, Venmo, CashApp, PayPal, and Zelle. This post is currently pinned at the top of Ms. Pereira’s First Facebook Account. She posted: “Our builder’s dishonesty and lack of accountability has left us trapped in a house from hell. Since our last video in February (which can be found here: <https://www.facebook.com/share/v/17En3grrr2/>), we’ve discovered that our foundation is actively failing - and worse, it was fraudulently certified to Shelby County by an engineering firm that has been unlicensed for more than **21 years!** This same unlicensed engineering firm has signed off on at least 32 homes in our neighborhood - and likely hundreds more across Tennessee and Mississippi.” Ms. Pereira posted a video in which she made the following false statements or otherwise implied the following: the footings at the House do not comply with applicable building codes; the House’s foundation is failing; that Kevin Poe, a structural engineer who the Pereiras’ hired, committed “ethical violations” by failing to disclose

that he had previously worked with Regency; that “fraud” has occurred with respect to the Memphis and Shelby County Code Enforcement Engineer Footing/Foundation Form Letter for the House; that the Memphis and Shelby County Code Enforcement Engineer Footing/Foundation Form Letter for the House was not provided to code enforcement until after the Pereiras had closed on the House; that Regency has committed “ethical and code violations, outright fraud and fraudulent inducement we are now left with a home that is actively failing at its foundation;” that Regency did not make repairs after the dishwasher leaked or the roof leaked; that the patio is “failing;” that Regency did not make the plumbing repairs in February 2022; that Regency was intentionally dragging out and making as expensive as possible the First Arbitration; and that Regency has “blackmailed” the Pereiras. This post has been shared 55 times. Ms. Pereira also shared this post in a Bartlett Community page and reposted it on October 19, 2025 and October 24, 2025. She reshared the video referenced herein on October 25, 2025.

104. On October 17, 2025, Mr. Pereira shared Ms. Pereira’s post from that day and added his own comment which included statements that placed Regency in a false light, including but not limited to: that Regency would not “fix what’s broken,” that Regency “takes pleasure in forcing a family into financial ruin;” and that Regency consists of “evil people . . . with the goal of trying to destroy what you’ve built.” As Regency fixed all issues that were covered by the Warranty, this post is false and places Regency in a false light. To the extent this includes a statement of opinion, it implies that there are other undisclosed defamatory facts that justify any opinion. Mr. Pereira further stated: “And for the record REGENCY sue me too, just like you’re suing my wife. I stand behind every word she’s said and every fact we’ve uncovered. I’m even in the video.”

105. On October 21, 2025, Ms. Pereira posted a pleading from the First Arbitration: “Can someone let Regency Homebuilders, LLC and their attorney’s know that it’s not defamation if it’s true.” In the comments, she stated, “The fraudulently certified foundation is CRIMINAL – but here we are.” This statement is false and places Regency in a false light.

106. On October 23, 2025, Ms. Pereira posted that her tub was making “the same gosh awful sound it made a few weeks before all our toilets started backing up [emoji] It’s the house that keeps on giving... me a migraine.” In the comments, Ms. Pereira stated that she cannot sell her house because of the costs of “repairs need to the foundation, all of the issues inside and the water damage.” Repairs are not needed to the foundation. She further referenced their foundation issues are likely the cause of the plumbing repairs in February 2022, which is false.

107. Ms. Pereira then reposted a video from the plumbing repairs in February 2022, in which she incorrectly states that a load bearing wall put downward pressure on the foundation and pipe the created the belly in the plumbing. Several commenters appeared to believe that the video was reflecting what was happening currently in the House. This placed Regency in a false light.

108. That same day, Ms. Pereira also posted that a local news outlet should do a story regarding Regency as there have been a “repetitive number of complaints of similar problems of consumers.” She further stated that “no local news company will report on these problems, not the code violations, not the substantiated documented fraud” and implied in the comments that Regency has paid off the news outlets. She further states that these are not minor issues people are complaining about these are “thousands and thousands of dollars on repairs on most of the issues.” This post places Regency in a false light as many of the reviews posted by Ms. Pereira

are individuals who did not purchase a Regency home or are complaining about items that are not Regency's responsibility, such as subdivision roads or sidewalks.

109. On October 27, 2025, Ms. Pereira posted: "Which photo would most pique your curiosity to go check out the website?" with various photos of the House with the words "Regency built me a lemon with a FAILING Foundation & then SUED ME!" overlaid. In the comments, Ms. Pereira claimed that she "can basically fit my body under my house where the footing should be right there- isn't that nuts." These statements regarding the foundation are not true.

110. On October 29, 2025, Ms. Pereira posted: "I want a bathroom that works, floors instead of cold, wet concrete and a solid foundation" with photos of the plumbing repairs made in February 2022, photos taken while the House was under construction, and photos of the trenched foundation footings. This post falsely implied that the House does not have working bathrooms, that Regency was responsible for the lack of flooring in the House and that the House does not have a solid foundation. This post placed Regency in a false light.

111. On November 2, 2025, Ms. Pereira posted that Regency did not properly compact the soil for the House. That same day, Ms. Pereira posted that the Pereiras closed on the House against their will. Both of these statements are false.

112. On November 3, 2025, Ms. Pereira posted that Regency does not have a "valid liability insurance on file with the state of Tennessee, which means they should not have a valid license currently." This statement is false and places Regency in a false light.

113. On November 15, 2025, Ms. Pereira commented negatively about Regency in one of her posts.

114. On November 19, 2025, Ms. Pereira posted that Regency's actions in bringing the First Arbitration against Ms. Pereira "instead of fixing the issues" is "the behavior of a GUILTY AF party if you ask me." As Regency repaired all issues that were covered by the Warranty, this post is false and places Regency in a false light. To the extent this includes a statement of opinion, it implies that there are other undisclosed defamatory facts that justify any opinion.

115. On November 21, 2025, Ms. Pereira implied in two posts that mold in the House has caused her family to get sick. Ms. Pereira made similar claims in the comments of a post on January 19, 2026. A commenter responded that this should be added to her lawsuit against Regency. Regency has not been provided with any notice of any supposed mold in the House currently; therefore, upon information and belief, these statements are false. In another comment, Ms. Pereira implied that high Total Volitive Organic Compound levels could be related to foundation failure. This is also false, as the House's foundation is not failing.

116. On November 22, 2025, Ms. Pereira posted a photo of her stained wood stair treads alongside her laminate flooring and wrote: "Crazy that Regency Homebuilders thought this matched." Ms. Pereira did not disclose that the Agreement provides "oak treads on stairs may not always match hardwood color exactly" and that Ms. Pereira chose and approved the color of the stained treads photographed. Ms. Pereira made similar comments in and on posts from December 19, 2025 and December 23, 2025. These posts are false and placed Regency in a false light.

117. On November 25, 2025, Ms. Pereira posted: "Now we've got a cracked tile. How many more foundation issue indicators do we need before they do the right thing?" This video has been viewed approximately 7,200 times. As there has been no differential settlement in the House, there are no indications of "foundation issues." In the comments, Ms. Pereira stated she

had a report from a “soils engineer” to support her statements, which upon information and belief, is false.

118. On November 28, 2025, Ms. Pereira posted that she had to use a space heater in her office because the House does not heat evenly. The video shows a 4.4 degree temperature differential between two rooms. Ms. Pereira further stated in a video that Regency’s subcontractors visited several times, failed to remedy this issue, and then closed the warranty ticket. Ms. Pereira made similar comments on posts on January 19, 2026 and January 20, 2026. Ms. Pereira’s last communication to Regency regarding the HVAC system under the Warranty was that the issue was much better and the latest discovery responses from the Pereiras in the First Arbitration did not indicate they were claiming issues with the HVAC system.

119. On December 1, 2025, Ms. Pereira posted: “We have undeniable evidence- fraud in the foundation certification, IRC and local building code violations galore related to the foundation, soil testing proving the ground was never suitable or properly compacted.” These statements are false.

120. That day, Ms. Pereira posted: “Someone FINALLY picked up our story!” with a link to <https://justmymemphis.com/view-post/3545>. At the link, the Pereiras make multiple false statements or imply false statements regarding Regency, including but not limited to: that they have “irrefutable proof that there are code violations; “that Regency built a “lemon with a failing foundation”; that Regency filed the First Arbitration against Ms. Pereira because it “knew that there was something really wrong” with the House; that a “soils specialist engineer” performed testing at the House that went four to six feet below grade; that the soil “is not properly compacted and is not sufficient enough to support the weight and the load of our house;” that the depth of the footings at the House does not comply with applicable building codes; that one of

the footings is only 7 inches deep; that Regency is responsible for the moisture in their slab and that they are unable to place flooring on the slab; that Regency did not make the plumbing repairs in February 2022; and that Regency is motivated by sexism against Ms. Pereira. The story by JustMyMemphis contains other false statements that have already been outlined herein.

121. Mr. Pereira shared the link with his own comment that “We’ve spent FOUR YEARS dealing with a house that’s literally falling apart . . . And before anyone rushes to defend the builder, ask yourself: If nothing was wrong with our home, why didn’t the multimillion-dollar company buy it back when we asked them to... Let that SINK IN.” The House is not falling apart and the remaining comments place Regency in a false light.

122. The JustMyMemphis post with the above link has been shared 235 times and has 262 comments. In the comments, Ms. Pereira repeated many of her previous defamatory statements.

123. On December 2, 2025, Ms. Pereira posted a video of doors in the House and stated that there are “shims” under some of the door frames. She further stated in the video that this is “indicative of the fact that there were foundation problems when they were framing this House.” This statement is false. As previously noted, a structural engineer hired by the Pereiras’ wrote in a report in May 22, 2021 that the House was “structurally sound” and there was “no evidence of any foundation settlement.”

124. On December 4, 2025, Ms. Pereira posted that flooring was being placed on the first floor. She further commented that the flooring was able to be laid because the flooring company first sealed the concrete due to the moisture content.

125. On December 5, 2025, Ms. Pereira shared a video by JustMyMemphis, in which Pereiras make multiple false statements or imply false statements regarding Regency, including

but not limited to: that the soil under the House is not and never will be properly compacted; that Regency is responsible for the lack of flooring/exposed concrete slab on the first floor of the House; and that the House currently does not have working toilets or plumbing. These statements are false and place Regency in a false light.

126. On December 15, 2025, Ms. Pereira posted about her new flooring. In the comments, she commented negatively about Regency and the House's foundation.

127. On December 23, 2025, Ms. Pereira posted that Regency did not properly compact the soil for the House. Ms. Pereira further implied that the House's foundation is failing. Both of these statements are false.

128. On December 30, 2025, Ms. Pereira posted "Regency continues to call DOORS THAT WON'T CLOSE, normal. If there's nothing wrong with this house, BUY IT BACK!" Ms. Pereira posted a video of a door opening and closing. As of June 2, 2025, the date that Regency inspected the House, all doors were operating normally. Moreover, the House has been outside the Warranty period for over 3 years.

129. On January 13, 2025, Ms. Pereira posted a photo of the crown molding in the House. In the comments, Ms. Pereira posted that the House had "foundation issues, . . . improperly compacted 4-6ft of fill dirt, . . . missing footings, . . . footings that don't extend 13 inches into native soil and . . . perpetually wet foundation." These statements are false and place Regency in a false light.

130. On January 16, 2026, Ms. Pereira referenced "our negligent builder Regency" causing "repetitive damage inside our house." Regency has not damaged the House nor has it been negligent.

131. On January 20, 2026, Ms. Pereira posted that Regency incorrectly installed her refrigerator and freezer. Ms. Pereira did not raise any issues with respect to these appliances during the Warranty period. In the comments, when someone suggested she should sell the House, Ms. Pereira stated that the House had: “1. known roof leaks (plural); 2. A belly repair because the cleanout is run under a load bearing wall. Said load bearing wall is missing a 30 x 30 footing (that is on the required designs from the engineering/design firm) and the toilets still have issues; 3. The compaction testing on our soil at the foundation, shows that it is insufficient to support the load of the house; 4. In addition to the compaction testing issue, we have gaps in our footings (they are supposed to be continuous perimeter footings) [emoji] 5. We have footings that do not meet international residential code- they are not a minimum of 13 inches continuously and they are NOT 13 inches into native or undisturbed soil; 6. The foundation inspection and certification to the county was done fraudulently by someone who is not an engineer- same with the decision to remove the 30x30 footing; 7. [emoji] The back patio is cracked in half and has differential of at least a quarter of an inch (it is sinking/breaking off from the first 12 feet); 8. We still do not know why the concrete slab is [emoji] perpetually wet but we suspect it is the insufficiently compacted, soil and soil that has a high water content and poor drainage [emoji]; 9. There has been significant water damage at least three times in the house.; 10. The backyard is essentially non-functional because they built the foundation pad up 4 to 6 feet and created a slope of a backyard. When we purchased the property, it was completely flat. [emoji] 11. Known/ongoing HVAC issues; 12. Cracks in the exterior brick in about 10 places around the house (fairly significant cracks); 13. Moen faucets that were installed incorrectly in every single one of the bathrooms to the extent that if you leave the water on a very low drip, it will drip onto the countertop and flood your bathroom. They did not follow Moen’s installation

requirements for the faucet reach. 14. The backyard has significant drainage issues because of the soil that existed on this property before the buildup and because of the way the builder designed the lip at the backyard the south west corner of the yard holds water throughout the year, and it is an infestation spot for mosquitoes, mold, and moss [emojis]. Estimates to fix the drainage in the backyard, level it and install a retaining wall are at roughly 170,000. Estimate estimates to fix the foundation issue by installing helical peers is at 260,000 and that does not include Removal and reinstallation of the floors and Removal and re- delivery and set up of all of the furniture on the first floor [emoji]; Not only do we have to disclose all of those things but in good conscience I could not try and sell this house without being transparent about all of those things. So what would you pay for a piece of shit like that?" These statements are false and place Regency in a false light for the reasons stated previously herein. To the extent this includes a statement of opinion, it implies that there are other undisclosed defamatory facts that justify any opinion. Ms. Pereira made similar statements in a post on September 19, 2025.

132. The volume and tenor of Ms. Pereira's posts indicate that she is motivated by an intention to harm Regency's business, along with an intent to enrichment through more engagement with her followers and the public.

133. Likewise, the animus expressed by Mr. and Ms. Pereira in these posts indicate that they are motivated by hatred of Regency and intend to do whatever is in their power to smear Regency's reputation.

134. Ms. Pereira has incited many of the readers of her posts to sympathize with her and join her in berating Regency.

135. Undoubtedly, Ms. Pereira was seeking affirmation and comments about Regency from her followers. Ms. Pereira sought to expand her influence online for her own benefit by

posting negative, false, defamatory, and disparaging statements about Regency. Ms. Pereira received what she sought from her numerous followers who, after reading her posts, were left with an unfounded, extremely negative impression of Regency and its goods and services, as evidenced by their comments:

- Wow - I'm so sorry you are dealing with this. Note: Avoid using Regency Builders in future!!!
- We were talking about building and considered them, but if they won't stand behind their product, nope.
- A newer house needs all that work and somehow passed inspection? That's the kind of work you would see for some earthquake damage. Who did the builder pay off?
- Shyster builder
- So disgusting. An embarrassment to Lakeland and this so-called homebuilder.
- This disgusts me on every single level. This company has ZERO integrity despite the thousands of chances you have given them to make it right over YEARS. This is completely and totally FRAUD!
- I AM SO SORRY!! IMO, They need to tear it completely down! Reimburse you for all costs and pay for someone else to rebuild. I'll pray that whatever is best happens!
- [Tagging another person] are you sure you want to build a Regency home?

- This is completely unacceptable!! The builder and all contractors that associated themselves with this project should have their licenses completely revoked and be prosecuted to the fullest extent of the law!! Point blank period.
- So very sorry. Criminal in my opinion.
- Wow. This is insane. I hope they are held accountable for all of these issues. No one should ever have to experience these type of issues when buying a home.... And a missing footing? That's crazy!
- How sad. I hope they are exposed for the crooks they appear to be.. sharing.
- You've been through so much because of those awful builders. They will never get my business.

136. Regency has made demands upon the Pereiras to remove their disparaging and defamatory posts, but the posts have not been removed.

137. Upon information and belief, the Pereiras continues to make untrue, derogatory and defamatory statements about Regency that have caused and continue to cause damage to Regency.

138. The Pereiras' posts have cast Regency in a false light and damaged its reputation and goodwill.

139. The posts referenced above, as well as a number of other posts, comments, and the screen recordings of videos posted by the Pereiras that are disparaging and/or defamatory (collectively, the "Posts") can be found at the following link:

<https://www.dropbox.com/scl/fo/9usp693uwz4sadvxw3hm3/AIuREt0sCD5CY6VVofTnps0?rlk=9ujmsykzzzknll4sd1cu36j1c&st=bx6jcb&dl=0>.

140. The Posts contain statements of fact that are false and/or place Regency in a false light.

141. To the extent that the Posts contain statements of opinion, the Posts imply that there are other undisclosed defamatory facts that justify the opinion.

142. The Pereiras' actions are the cause and cause in fact of damages to Regency.

COUNT I
Breach of Contract

143. Regency incorporates the previous paragraphs herein.

144. By making the Posts, Ms. Pereira and Mr. Pereira have published statements which are “disparaging, deleterious or damaging to the integrity, reputation or goodwill” of Regency. Ex. 1 § 35.

145. As a result, the Pereiras have breached their contract with Regency and have caused Regency to suffer damages, including but not limited to, out-of-pocket costs, actual damages, consequential damages, lost sales, and injury to its reputation and goodwill.

146. Under Section 29 of the Agreement, Regency is entitled to its reasonable attorneys' fees upon the Pereiras' breach of the Agreement. Ex. 1 § 29.

COUNT II
Defamation

147. Regency incorporates the previous paragraphs herein.

148. Ms. Pereira and Mr. Pereira published the Posts with knowledge that many of the statements were false, or with reckless disregard for the truth of the statements, or with negligence in failing to ascertain the truth of the statements.

149. The Pereiras' publication of said statements resulted in injury to Regency including but not limited to, lost sales and injury to its reputation and goodwill, as well as out-of-pocket costs, and actual damages.

150. Because the Pereiras, in certain cases knowingly, willfully, and recklessly made untrue posts, Regency is entitled to punitive damages.

COUNT III
False Light in the Public Eye

151. Regency incorporates the previous paragraphs herein.

152. By making Posts, Ms. Pereira and Mr. Pereira have given publicity of a matter concerning Regency that places Regency in a false light that would be highly offensive to a reasonable person.

153. The Pereiras published the Posts with knowledge that many of the statements were false and the false light in which Regency would be placed, or with reckless disregard for the truth of the statements and the false light in which Regency would be placed, or with negligence in failing to ascertain the truth of the statements and the false light in which Regency would be placed.

154. Regency has suffered damages due to the false light in which the Pereiras have placed Regency.

155. Because the Pereiras, in certain cases knowingly, willfully, and recklessly placed Regency in a false light, Regency is entitled to punitive damages.

COUNT IV
Tortious Interference with Business Relations

156. Regency incorporates the previous paragraphs herein.

157. Prior to the Posts, Regency had prospective business relationship with potential future customers who were interested in purchasing either new or existing homes from Regency.

158. Upon information and belief, Ms. Pereira and Mr. Pereira were aware of these prospective business relationships.

159. Upon information and belief, Ms. Pereira and Mr. Pereira acted with intent to cause others to terminate their business relationships with Regency, i.e., they intended to induce others not to purchase homes from Regency.

160. In doing so, upon information and belief, the Pereiras acted with improper motive and/or improper means. Upon information and belief, the Pereiras' predominant purpose in making the Posts was to injure Regency. In addition, the Pereiras did so through improper means: untrue defamatory statements and through breach of the Agreement.

161. Regency has been damaged by the Pereiras' interference with its business relations.

WHEREFORE, Regency requests that

1. This matter be submitted to arbitration;
2. That Regency be awarded damages for breach of contract;
3. That Regency be awarded damages for defamation;
4. That Regency be awarded damages for false light in the public eye;
5. That Regency be awarded damages for tortious interference with business relations;
6. That Regency be awarded punitive damages.
7. That Regency be awarded its attorneys' fees under Section 29 of the Agreement;
8. That Regency be awarded pre- and post-judgment interest;
9. That Regency be awarded its costs;
10. That the arbitrator and Resolute's fees be assessed against Julie and Joe Pereira; and
11. For such other and further relief to which Regency is entitled.

Respectfully submitted,



Shea Sisk Wellford (Tenn. Bar No. 16947)
Abigail Abide Stephens (Tenn. Bar. No. 35920)
Martin, Tate, Morrow & Marston, P.C.
6410 Poplar Avenue, Suite 900
Memphis, TN 38119-4839
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sheawellford@martintate.com
astephens@martintate.com

*Attorneys for Claimant Regency
Homebuilders, LLC*

EXHIBIT 1



NEW HOME SALES AGREEMENT

Date: 03/03/2020

Regency Homebuilders, LLC, (hereinafter called "**Seller**") hereby agrees to sell and convey to

Joe Pereira and Julie Periera (hereinafter called "**Purchaser**"),

and Purchaser hereby agrees to purchase from Seller or Seller's assigns the following described real property situated in the

City of: Lakeland, County of Shelby County, State of Tennessee to-wit:

Lot 6, Winstead Farms **Subdivision**, commonly known as 5055 Adagio Lane (address),

together with a residential dwelling constructed or to be constructed thereon (hereinafter called the "Residence"), with plans and specifications prepared for Seller as **Plan #3183**, **Plan Name: Carrington**, and not in strict

conformity with any model home. Seller reserves the right to make such changes or substitutions in the construction of the residence as may be required, authorized or approved by governmental agencies having jurisdiction there over, or as Seller deems appropriate so long as materials of equal or better quality are used, or as seller deems appropriate so long as the change does not affect the value of the home. Seller has the right to reverse the plan on the lot and determine that selected Plan fits on selected lot. Seller may require entry upon Purchaser's lot to complete construction on adjacent lots. Purchaser grants permission to Seller to enter or temporarily encroach upon Purchaser's lot for the sole purpose of completing construction on any immediately adjacent lots. Purchaser agrees to allow said entry or temporary encroachment upon Purchaser's lot without charge to Seller or any other obligation of Seller; except that Seller will repair any damages caused by Seller's construction work where such damage is located on Purchaser's lot. Seller is not responsible for damage to any of Purchaser's landscaping, fencing or other Purchaser's improvements that are actually located on a lot owned by Seller. Unfinished attic areas may not be suitable or available to use as storage areas, due to use of these areas for plumbing, electrical and/or heating, ventilation and air conditioning systems. If applicable, this New Home Sales Agreement ("hereinafter called "Agreement") is contingent on the Seller obtaining lot and/or construction financing.

1. **TOTAL SALES PRICE:** The sales price is (\$ 533,655), (five hundred thirty-three thousand six hundred fifty-five DOLLARS) to be paid to Seller by Purchaser in cash at closing.

2. **DEPOSIT MONEY:** 5000 Amanda Hamilton (real estate agent's name) acknowledges receipt of (\$5000) five thousand DOLLARS in the form of a check with said amount is to be paid to Seller as deposit money. UPON PREAPPROVAL OF PURCHASER'S LOAN, DEPOSIT MONEY IN THE AMOUNT OF (\$5000) five thousand DOLLARS WILL BECOME NON-REFUNDABLE. THIS AMOUNT WILL BE CREDITED TO PURCHASER AT CLOSING AND DEDUCTED FROM SELLER'S PROCEEDS.

3. A. **FINANCING:** This Agreement is contingent upon Purchaser securing a permanent and final loan approval and commitment from a lending institution, within fifteen (15) days from the Ratified Agreement date, for a Conventional, FHA, or VA Maximum Loan, at whatever the prevailing interest rate and terms, amortized over a maximum period of thirty (30) years. This fifteen (15) day time period can be extended at the sole option of the Seller. See Section 3C, below, for more detailed information regarding the required Loan Commitment.

B. **LOAN APPLICATION:** Purchaser agrees to make written application for loan with a Lender within **TWO (2)** days of Ratified Agreement date. A PREAPPROVAL LETTER IS TO BE PROVIDED TO SELLER WITHIN **FOUR (4)** DAYS OF THE RATIFIED AGREEMENT DATE. Purchaser agrees to provide all relevant information, as determined by Lender that is necessary for Lender to make a full and complete evaluation to be able to issue a pre-approval letter. THIS IS THE RESPONSIBILITY OF THE PURCHASER and/or REALTOR. The Purchaser must pay for credit report and appraisal at time of loan application. In the event the appraisal fee has been paid by Seller prior to Agreement, then Purchaser shall reimburse Seller at time of closing. The Purchaser hereby authorizes the Lender to release Purchaser's financial information (written or verbal) to Seller, to Seller's representative, or a construction lender, and requests that Lender do so as soon as such information is available. **Purchaser shall cooperate with Seller and Lender, Purchaser shall diligently and timely pursue loan approval in good faith, execute all documents and furnish all information and documents required by Lender and timely pay the costs of obtaining such loan. Failure to do so shall constitute a breach. Purchaser failing to make loan application, canceling the loan, or failing to obtain spouse's signature, co-borrower's or co-signer's signature on loan application or other loan documents, if applicable, or telling Agent or Lender they do not intend to close, or providing Lender with incorrect, incomplete, or misleading information or documents shall also constitute a breach.**

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NEW HOME SALES AGREEMENT

C. **LOAN COMMITMENT:** PURCHASER UNDERSTANDS AND CONFIRMS THAT THIS AGREEMENT IS CONTINGENT ON SELLER RECEIVING A PERMANENT AND FINAL LOAN APPROVAL AND COMMITMENT OF PURCHASER'S LOAN, WITH NO CONDITIONS OTHER THAN A CLEAR FINAL INSPECTION AND A CERTIFICATE OF OCCUPANCY FROM THE COUNTY, WITHIN FIFTEEN (15) DAYS OF THE RATIFIED AGREEMENT DATE. IT IS PURCHASER'S and/or REALTOR'S RESPONSIBILITY TO DELIVER THIS TO SELLER. IN THE EVENT PURCHASER FAILS TO DELIVER SAID APPROVAL AND COMMITMENT WITHIN THE STATED PERIOD, SELLER HAS THE OPTION OF REQUIRING PURCHASER TO IMMEDIATELY APPLY FOR LOAN AT A LENDER DESIGNATED BY THE SELLER OR DECLARING THIS AGREEMENT IN BREACH AND NULL AND VOID. Seller is not obligated to have the Residence ready for closing until Purchaser has completed all required duties and responsibilities under this AGREEMENT, including but not limited to Purchaser delivering to Seller a written "Permanent and Final Loan Approval and Commitment" with no conditions other than a clear final inspection by County Code Enforcement. However, Seller reserves the right to finish the Residence at any time. If the loan commitment letter is not available due to Purchaser's failure to comply with LOAN APPLICATION paragraph (Section 3B), then it shall constitute a breach. Purchaser failing to possess funds to qualify, failing to obtain a gift letter or funds if applicable, or receiving a loan denial due to a change in marital status, a change in job status, a change in the Debt Ratio status, lender's inability to verify or confirm any statements made by Purchaser on Purchaser's loan application, or filing for bankruptcy or similar relief, shall also constitute a breach. Purchaser telling Lender or Realtor they do not intend to close will also constitute a breach. PURCHASER(S) UNDERSTAND AND AGREE THAT SELLER MAY NOT ORDER PLANS, REQUEST CONSTRUCTION LOAN, OR START A PRESALE RESIDENCE UNTIL THEY RECEIVE THIS FIRM COMMITMENT WITH AN APPROPRIATE EXPIRATION DATE.

Purchaser initials: X

- 4. **APPRAISAL:** Purchaser to pay for any appraisal required by loan at time of loan application. PURCHASER(S) UNDERSTANDS THAT APPRAISAL IS FOR LOAN PURPOSES ONLY AND DOES NOT AFFECT OR CHANGE THE SALES PRICE.
- 5. **UTILITIES:** PURCHASER(S) MUST HAVE ALL UTILITIES TURNED ON IN THEIR NAME ON THE DATE OF CLOSING. Seller is not responsible for any damages caused by Seller terminating utilities after five (5) days from closing. If Purchaser fails to turn on the utilities in their name as required and Seller inadvertently continues to pay the utilities on the property beyond the date of closing, Purchaser will promptly pay Seller for the cost of utilities paid by Seller after closing. If Purchaser fails to pay Seller within thirty (30) days of Seller notifying Purchaser of the amount of utility reimbursement required, then Purchaser has breached this Agreement. If Seller incurs any costs to collect this required utility reimbursement, including, but not limited to, collection agency fees, attorney fees, court costs, etc. then these costs must also be reimbursed to Seller by Purchaser. The provisions of this Section 5 shall survive the closing.
- 6. **CLOSING OF LOAN AND SALE. CLOSING OF LOAN AND SALE IS TO BE SCHEDULED BY THE SELLER NO LATER THAN 48 HOURS AFTER COMPLETION OF RESIDENCE AND RECEIPT OF CERTIFICATE OF OCCUPANCY FROM THE COUNTY.** Closing is to be completed before 12:00 AM. Possession to be given to Purchaser after Deed has been issued in the name of Purchaser. It is understood and agreed, at Seller's sole option, the closing date may be extended for up to two (2), thirty (30) day periods from the above mentioned closing date. Purchasers to pay two hundred dollars (\$200.00) per day to cover construction loan interest, insurance, real estate taxes, maintenance, administrative fees and other costs, if loan is not ready to close, due to Purchaser's failure to comply with this Agreement. **Purchaser acknowledges that delivery of the Residence is approximate due to construction delays, inspections and weather and that any closing date quoted by anyone is an estimate only; and seller shall have no liability for damages resulting from failure to close at an estimated date beyond a refund of the Agreement Deposit Money and termination of the Agreement, at Seller's sole option.**

Purchaser Initials: X

- 7. **CLOSING AGENT (ATTORNEY / AND TITLE COMPANY):** As a condition to the above sales price, the closing will be held at 7518 Enterprise Ave, Germantown, TN 38138. The telephone number is 901-754-2080. Unless otherwise stated herein, the Closing Agent or Attorney and the Title Company chosen shall be Memphis Title Company, Inc. for both Purchaser and Seller and each are to pay for their own settlement agent fees.

Purchaser Initials: X

- 8. **LIMITED WARRANTY:** Seller agrees to provide a written One Year New Home Limited Warranty ("Warranty"). Purchaser and Seller agree to the terms and conditions of this warranty and agree that Seller's obligation with respect to warranties shall be strictly limited to the terms and conditions of said limited warranty. THE EXPRESSED LIMITED WARRANTIES CONTAINED HEREIN ARE IN LIEU OF ALL OTHER WARRANTIES, STATUTORY OR OTHERWISE, EXPRESSED OR IMPLIED, ALL OTHER OBLIGATIONS OR LIABILITIES WITH RESPECT TO SAID PROPERTY, INCLUDING ANY CLAIM FOR BREACH OF AGREEMENT OR ANY OTHER CAUSE OF ACTION, AND INCLUDING ANY WARRANTIES OF HABITABILITY, WORKMANLIKE CONSTRUCTION, DESIGN, CONDITION, QUALITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE AND LIMIT PURCHASER'S REMEDIES AND SELLER'S LIABILITIES. SELLER IS NOT LIABLE FOR ANY NEGLIGENCE OF SELLER'S SUBCONTRACTORS, SUPPLIERS OR VENDORS. IN NO EVENT SHALL SELLER'S OBLIGATION EXCEED ITS OBLIGATION SET FORTH IN SAID WARRANTY. IN NO EVENT SHALL SELLER BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL OR PUNITIVE DAMAGES.

Purchaser Initials: X

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NEW HOME SALES AGREEMENT

Purchaser Initials: X

9. ARBITRATION CLAUSE:

A. It is mutually agreed that all disputes and controversies between the parties arising out of, or in connection with this Agreement as to the existence, construction, validity, interpretation or meaning, performances, non-performance, enforcement, operation, breach, continuance, or termination thereof any claim whatsoever, including, without limitation, alleged misrepresentation, unjust enrichment, fraud, negligence and violations of the Tennessee Consumer Protection Act shall be submitted to non-binding mediation in accordance with the rules and procedures of Resolute Systems, Inc. and by using the following procedure. Any warranty claims shall first be submitted to any dispute resolution procedure as set forth in the warranty program called for herein. Thereafter, either party may demand mediation by setting forth such claims in such detail as shall give the other party notice and by submitting the claim to mediation in accordance with the rules and procedures of Resolute Systems, Inc.

I. Within thirty days after the demand, the other party shall prepare a response to the allegations set forth in the statement setting forth such matters the other party considers pertinent.

II. Each party shall bear (his, hers or its) own mediation costs and expenses and shall equally bear the cost of the mediation

Purchaser Initials: X Seller Initials: XX

B. If the parties are unable to settle or resolve the dispute or controversy by mediation, the claim shall be submitted to binding arbitration in accordance with the rules and procedures of Resolute Solutions, Inc. In which event the decision of the arbitrator shall be final and binding upon both Parties and may be entered in any court having jurisdiction. Demand for arbitration shall be made in writing with the other party to the claim and with the arbitrator. A demand for arbitration shall be made within a reasonable time after the claim; dispute or other matter in question has arisen, but in no event later than the date for the institution of legal proceedings based upon the law of the state where the property is located. The cost of the arbitrator shall be paid by the non-prevailing party or as determined by the arbitrator.

Purchaser Initials: X Seller Initials: XX

C. The parties stipulate that the provisions of this Agreement shall be a complete defense to any suit, action, or proceeding instituted in any federal, state, or local court or before any administrative tribunal with respect to any controversy or dispute arising during the period of this Agreement. The mediation and arbitration provisions shall, with respect to the controversy or dispute, survive the termination or expiration of this Agreement.

Purchaser Initials: X Seller Initials: XX

D. Said Warranty provides for final and binding arbitration regarding any controversy, claim or complaint arising under said Warranty, which is not resolved by mutual agreement between the Purchaser and Seller. **Purchaser's sole remedy for any such unresolved Warranty matter is the final and binding arbitration stated herein, the right to sue the Seller in court being expressly waived.**

Purchaser Initials: X Seller Initials: XX

10. **FINAL SURVEY:** Final Survey will be provided by Seller, **only if required by Purchaser's Lender**, and shall be paid by Purchaser at time of closing.

11. **BROKERAGE:** Seller agrees to pay at closing, any fee specified by agreement and signed by Seller. Purchaser acknowledges that Seller is not to be responsible for any other brokerage fees. Any administrative fees or other brokerage of Purchaser must be by signed and dated before this Agreement is signed by Purchaser and disclosed to Seller, in writing, before this Agreement is Ratified by Seller.

12. **TITLE RESTRICTIONS:** Title is to be conveyed subject to all restrictions, easements and covenants of record, including any covenant or condition of approval of recorded plats that apply to subdivision, applicable zoning laws, and taxes coming due after closing. If applicable to the property, the Purchaser acknowledges that he/she/they have been given the opportunity to read all Homeowner Association documents that are in existence and known to Seller at the time Agreement is signed by Purchaser.

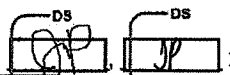
13. **SETTLEMENT WITH VALID TITLE:** Settlement and payment of any balance in cash shall be made upon presentation of a good and valid warranty deed or other proper means of conveyance with the usual covenants and conveying a good and merchantable title, after allowing reasonable time for examination of title. At Purchaser's election, Seller agrees promptly to furnish for examination only, either title search or adequate abstracts of title, taxes and judgments covering property or, at Seller's option, a policy of title insurance for the amount of the above purchase price, insuring marketability of title and paid for by Seller. Adequate abstracts of title, taxes and judgments are those required by a title insurance agency as the basis for the issuance of a title insurance policy. In the event of controversy regarding title, a title insurance policy covering property for the above purchase price shall constitute and be accepted by Purchaser as conclusive evidence of good and merchantable title. In each case, the title insurance agency must be one with a local office.


Purchaser Initials: X
Seller Initials: XX



NEW HOME SALES AGREEMENT

14. **FAILURE TO CLOSE:** If the title is good and merchantable and Purchaser shall fail to pay for the Residence as specified herein, then it shall constitute a breach. The Purchaser canceling the closing, refusing to close after a clear final inspection and acceptance by mortgagee, or applicable Code Enforcement Department, failing to possess funds to close, or failing to obtain the required signatures to close, or failing to satisfy the conditions set forth in loan application or loan commitment paragraph, or notification that Purchaser does not intend to close, shall constitute a breach. If the Seller cannot convey a good and merchantable title, or should the Seller fail to close, the Purchaser shall be limited to the remedies as stated in breach by seller. (Section 30)
15. **COMPLETION AND INSPECTION:**
- A. **INSPECTION BY PURCHASER:** Purchaser agrees that the direction and supervision of the workers at the Residence, including subcontractors, rests exclusively with Seller, and Purchaser agrees not to issue any instruction to or otherwise interfere with such workers. Purchaser further agrees not to contract with Seller's subcontractors or to engage other builders or subcontractors for any work on or about the Residence except after closing.
- Purchaser shall at a designated time set prior to Closing Date, completely inspect the Residence with Seller or Seller's Agent. Purchaser and Seller shall agree and prepare a list in writing ("Walk Thru List"), with those items that will be repaired or completed by Seller within a reasonable time before or after Closing Date, and upon execution of said Walk Thru List, Purchaser will have accepted the Residence and acknowledged that the Residence was constructed pursuant to this Agreement except as set out in said Walk Thru List when closing of the loan and sale has occurred.
- B. **COMPLETION:** It is understood and agreed between parties that Seller shall be deemed to have performed this Agreement as to construction of the Residence hereinabove described when it shall have obtained the final inspection from applicable Code Enforcement Department. Purchaser agrees to immediately close said loan and complete the purchase of the above described Residence within forty-eight (48) hours of being notified, or at a time designated by Seller, if later. Possession shall be given to Purchaser immediately after closing. Seller shall not be held responsible for any delay in construction of the Residence by the act, neglect, failure or default of subcontractors, workers, or suppliers; by alterations, changes or additions to the Residence, public laws, or act of public officials, strikes, lock-outs, weather conditions, acts of war, inability to obtain materials, or by any cause beyond Seller's control. Seller reserves the exclusive right to substitute for any selections by Purchaser that have not been submitted by Purchaser and approved by Seller within ten (10) days of the start of construction or cannot be delivered as required. Purchaser agrees that construction and completion of said Residence shall not be delayed to wait for Purchaser's selections, if any. Should construction of the house plan herein be started and in the event selections have been made, Purchaser agrees to accept said house plan, it's location on the Property, elevation and finish of the Residence and all selections chosen by it or others.
16. **PRORATIONS AND TAXES:** All taxes and applicable assessments shall be prorated as of closing. All pro-rations shall be based upon the last known assessment, and if no lot assessment is available, then there shall be no pro-rations. Seller shall not be responsible for any supplemental taxes which may be assessed after closing or any tax liabilities after closing.
17. **CLOSING COSTS.** Purchaser and Seller are to pay their own Settlement Agent fees and Closing costs.
18. **PURCHASER'S COSTS:** Purchaser to pay for the preparation of note or notes, trust deed, purchase money trust deed, if any, notary fee on trust deed or deeds, recording of the deed of conveyance, and if one is used, recording of the purchase money trust deed, state transfer taxes and Register's fee on all deeds; expense of title examination and title insurance, and all other legally chargeable loan expenses incident thereto, including, but not limited to loan impound account pro-rations or initial required deposits to the impound account, if any.
19. **SELLER'S COSTS:** Seller is to pay for preparation of warranty deed, or deed of conveyance, notary fee on deed, and title search or abstract.

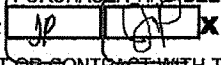
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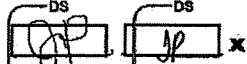
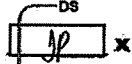
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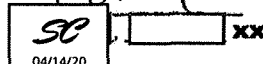
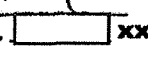
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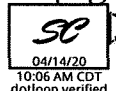


NEW HOME SALES AGREEMENT

20. **OPTIONS, CHANGES AND ADDITIONS:** Purchaser will likely need to meet with Seller's Design Studio staff to make selections, choose options, request changes or additions for their house. This appointment is extremely important to the building process and must timely proceed to properly complete the Purchaser's house. Appointments at the Design Studio are scheduled in advance and require Purchaser's attendance since written contract changes will be made during or at the conclusion of the appointment. All Purchaser selections of options, changes, and/or additions must be complete in the manner prescribed by Seller within Three (3) Weeks of the date the Agreement is first ratified by Seller. Failure of Purchaser to complete all selections within the aforementioned period permits Seller, exclusively at Seller's option, to cancel this Agreement without any obligation to Purchaser, nor liability to Seller from Purchaser. Seller's failure to cancel this Agreement will not be deemed to be a waiver of the Seller's right to cancel under this provision. Options, changes and/or additions must be agreed upon by both Purchaser and Seller, in writing, and become part of this Agreement. There are no options, changes or additions to plans or specifications unless included in writing with this Agreement. Purchaser understands that changes, if any, are to be requested in writing on a form prescribed by the Seller together with a non-refundable and non-creditable change order fee of Five Hundred Dollars (\$500.00) for each requested change order after the first Design Studio appointment for the initial Purchaser selections. Seller will review any requested change order and submit a proposed estimate of cost. The Purchaser and Seller understand that no change order will be completed by Seller until agreed in writing by all parties and the change order fee and any required additional deposit is fully paid by Purchaser. Additionally, any changes made by the Purchaser that requires a plan revision will also result in a charge to the Purchaser for the cost of the plan revision plus Five Hundred Dollars (\$500.00). If Purchaser fails to attend a scheduled appointment, without providing notice to Seller more than two (2) business days before their appointment, Purchaser agrees to a non-refundable and non-creditable charge of Two Hundred Fifty Dollars (\$250.00) to be included in the final price of the Design Studio amendments. In the event Purchaser fails to close the sale for any reason, Seller shall retain all funds paid for said options, changes and/or additions without reimbursement to Purchaser. **PURCHASER HAS BEEN ADVISED THAT THIS MAY RESULT IN FINANCIAL LOSS TO PURCHASER.**
- Purchaser initials: 
21. **LENDER FEES:** THE SELLER HAS NO AGREEMENT OR CONTRACT WITH THE LENDING INSTITUTION PROVIDING LOAN TO PURCHASER AND WILL PAY NO FEES TO THE LENDER EXCEPT THOSE SPECIFICALLY MENTIONED IN THIS AGREEMENT, IF ANY. **PURCHASER, NOR SELLER ON PURCHASER'S BEHALF, WILL PAY ANY FEES THAT ARE NOT ALLOWABLE BY THE FEDERAL HOUSING ADMINISTRATION ("FHA") OR OTHER GOVERNMENT AGENCY.**
22. **TERMITE PROVISION:** Seller agrees to furnish, at closing, a soil treatment guarantee from a licensed and bonded termite control operator as may be required by the Lender.
23. **RISK OF LOSS:** It is understood and agreed between Seller and Purchaser that the risk of loss by fire or otherwise of the improvements located on Residence shall remain with Seller and shall only pass to Purchaser at closing of the transaction; and further, that in the event of destruction by fire or otherwise, Seller's liability shall in no event be more than the appraised value of the improvements so destroyed.
24. **COSTS AND ATTORNEYS FEES:** Should any party to this Agreement bring an action against any other party to this Agreement to enforce closing of the transaction to change ownership and possession of the Residence, then the prevailing party or parties shall be entitled to recover all costs of said action and reasonable attorney fees. For the purpose of this provision, a party is defined as and includes the Purchaser, Seller, Real Estate Broker(s) and participating Agents. The term prevailing party as used in this Section shall be defined as the party or parties to whose favor an arbitration or court shall rule for or against whom no relief is granted.
25. **GRADE OF LAND:** Purchaser agrees that Seller has made no representations regarding the final grade of the lot after the completion of construction of the Residence, and Purchaser recognizes that the final grade and configuration of the Residence on the lot shall be dictated by the Seller's construction practices and may vary substantially from that of any model home or lot viewed by Purchaser. Seller shall grade the lot to satisfy any inspecting agencies. Any alteration to the swales or grade by Purchaser during the warranty period shall void limited warranty coverage, if any, of the grade, landscaping, sod and foundation. Additionally, Seller may require entry upon Purchaser's lot to complete construction on adjacent lots. Purchaser grants permission to Seller to enter or temporarily encroach upon Purchaser's lot for the sole purpose of completing construction on any immediately adjacent lots. Purchaser agrees to allow said entry or temporary encroachment upon Purchaser's lot without charge to Seller or any other obligation of Seller, except that Seller will repair any damages caused by Seller's construction work where such damage is located on Purchaser's lot. Seller is not responsible for damage to any of Purchaser's landscaping, fencing or other Purchaser's improvements that are actually located on a lot owned by Seller.
26. **AMENITIES AND COMMON AREAS:** Purchaser understands that Seller is not the developer, but rather only purchases finished lots and Seller is not affiliated or responsible for any actions of any developer or actions taken by, any current or future homeowner's association. Purchaser agrees that no representation or warranties have been made regarding the completion, maintenance, or fitness of use of these amenities and/or common areas, if applicable. Purchaser accepts such disclaimer and agrees to waive any and all rights they may have from Seller to any controversy concerning the above.

Purchaser Initials:  

Seller Initials:  





NEW HOME SALES AGREEMENT

27. **NURSERY STOCK AND NATURAL TREES:** Nursery stock (including sod/seed) installed by the Seller shall be healthy and alive (or in a seasonal dormant state) on the date of closing. The type and amount of nursery stock and sod/seed will be dictated by Seller's construction practices and allowances and may vary from that of any model or market home viewed by Purchaser. The placement by the Seller of sod or other landscaping does not necessarily indicate the actual property line; Purchaser must refer to their site plan to determine actual lot boundaries. Purchaser is advised that Seller only provides a "starter type" nursery stock and sod/seed. No representation is made by the Seller as to the establishment or maturity of said nursery stock, sod/seed as Purchaser shall be required to care for and maintain the before mentioned to obtain a naturally mature/established yard.

It is specifically stipulated that natural trees or other natural growth will be excluded from any warranty. Removal of damaged or unhealthy natural growth shall only be determined and performed by the Seller prior to closing or by written agreement between Seller and Purchaser at pre-closing inspection.

28. **GOVERNING LAW:** Tennessee law governs this Agreement. The parties agree to submit themselves to the jurisdiction of the Courts of the State of Tennessee and agree that Shelby County shall be proper venue.

29. **BREACH BY PURCHASER:** If this Agreement is breached by Purchaser or if the Purchaser fails for any reason to complete the purchase of Residence, in accordance with the terms and conditions set forth herein, Seller shall have the following remedies. Seller shall be excused from further performance and may sell the property to a third party without in any way limiting Seller's other remedies set forth below. Seller may declare this Agreement terminated and Deposit Money, plus any non-refundable funds shall be retained by Seller to be applied to actual damages sustained by Seller. Deposit Money, non-refundable funds, or other damages paid to the Seller, shall not in any way prejudice the rights of Seller in any action for damages or specific performance, or both. Purchaser shall be obligated to pay all costs or losses which Seller may sustain, including, but not limited to, lost profit, excess construction loan interest and costs, proportionate real estate taxes, insurance, any other costs related to the delayed closing, court costs and expenses of litigation, including reasonable attorney's fees. Purchaser shall also be obligated to pay all sales commissions that are due.

30. **BREACH BY SELLER:** If this Agreement is breached by Seller, Purchaser may terminate this Agreement by written notice to Seller and receive a refund of the Deposit Money as Purchaser's sole remedy. Purchaser hereby waives the right to any and all damages or specific performance, or both from the Seller.

31. **NOTICE TO PURCHASER:** Any notice to Purchaser shall be effective when received by Purchaser or received by the Selling Real Estate Company.

32. **FACSIMILE, EMAIL AND ELECTRONIC SIGNATURES:** Facsimile, email and electronic signatures shall be deemed valid on all documents related to this Agreement.

33. **ACCEPTANCE:** If Seller accepts this proposal in writing, this instrument shall become a ("Ratified") Agreement between the Purchaser and Seller. A copy of this document may be executed by each party, separately, and when each party has executed a copy thereof, such copies taken together shall be deemed a full and complete Agreement between the parties.

34. **A. SURFACE WATER:** The amount of surface water traversing a lot is subject to the intensity and duration of rainfall and other factors beyond the control of Seller, and will vary according to terrain and location. The Seller makes no representation or warranty concerning the amount of surface water that will traverse the lot during periods of peak water inundation, and Seller shall not be responsible or liable for any claims of any kind or character resulting from said inundation, except to meet the requirements of applicable Code Enforcement Department and/or as set forth in written warranty provided PURCHASER at closing.

Purchaser Initials: JP GP X

B. SUBSURFACE CONDITIONS: The subsurface conditions present may vary in accordance with underground conditions including and without limitation; the prior uses of the property, the surface and subsurface soil types, the subsurface movement of water and the other geological conditions present. Seller makes no representation or warranty concerning these conditions and the results of such conditions, and expressly disclaims any responsibility or liability for subsurface conditions of the property. Purchaser Initials: JP GP X

C. FILL AND SOIL CONDITIONS: This property may have had soil or fill brought onto the property for spread upon the property. The Seller makes no representation or warranties upon the condition, existence or amount of this fill and expressly disclaims any responsibility or liabilities for same.

Purchaser Initials: JP GP X

Purchaser Initials: JP GP X
Seller Initials: SP XX
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NEW HOME SALES AGREEMENT

D. MOLD NOTICE, DISCLOSURE AND DISCLAIMER: Mold growth requires moisture. Moisture is the only mold growth factor that can be controlled in a residential setting. By minimizing moisture, a homeowner can reduce or eliminate mold growth. All molds are not necessarily harmful, but certain strains of mold have been shown to have adverse health effects in susceptible persons. Whether or not you as a homeowner experience mold growth depends largely on how you manage and maintain your property and Residence. Seller's responsibility as a homebuilder is limited to things that Seller can control. As explained in Seller's written Warranty, provided by separate instrument, Seller will repair or replace defects in construction (defects defined as a failure to comply with reasonable standards of residential construction) for a period of one year. Seller will not be responsible for any damages caused by mold, or by some other agent, that may be associated with defects in Seller's construction, to include, but not be limited to property damage, personal injury, loss of income, emotional distress, death, loss of use, loss of value, and adverse health effects, or any other effects. Any implied warranties, including an implied warranty of workmanlike construction, an implied warranty of habitability, or an implied warranty of fitness for a particular use, are hereby waived and disclaimed. This notice, disclosure and disclaimer agreement is hereby appended to and made a part of the Agreement and shall survive the closing.

Purchaser Initials: x

- 35. **DISPARAGEMENT:** Purchaser and Seller covenant and agree that neither party will engage in any pattern of conduct that involves the making or publishing of written or oral statements or remarks (including, without limitation, the repetition or distribution of derogatory rumors, allegations, negative reports or comments) which are disparaging, deleterious or damaging to the integrity, reputation or good will of the Purchaser or Seller, their respective members, owners, officers, employees, and/or agents of their respective products or services. Purchaser and Seller understand that any violation of this Section shall result in a breach of the Agreement, and the non-breaching party shall have the option to pursue all remedies available to it under this Agreement. This section shall survive the Agreement
- 36. **DISPUTES:** Notwithstanding any of the above, in the event that a bona fide dispute should arise between Purchaser and Seller, before the consummation of this Agreement, and if such bona fide dispute cannot in good faith be resolved completely and to the satisfaction of both parties within ten (10) days after such dispute has arisen, then Seller shall have the right upon written notice to Purchaser, to terminate this Agreement and return to Purchaser all monies tendered herewith including Deposit Money excluding costs of options, upgrades, equipment and appliances ordered through the Design Studio and overages on allowances, if any.
- 37. **BLUEPRINTS:** Purchaser is aware and agrees that Seller does not provide a set of blueprints to Purchaser at any time. Purchaser understands that all published square footage and other measurements are deemed reliable but not guaranteed.
- 38. **ENTIRE AGREEMENT:** PURCHASER REPRESENTS THAT HE/SHE HAS READ THIS AGREEMENT AND THAT THIS AGREEMENT CONSTITUTES THE ENTIRE UNDERSTANDING BETWEEN SELLER AND PURCHASER AND THAT NO OTHER UNDERSTANDINGS, PROMISES, REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, EXCEPT THOSE EXPRESSLY SET FORTH HEREIN, HAVE BEEN RELIED UPON BY PURCHASER OR HAVE BEEN MADE BY SELLER OR ITS SALESPERSONS, AGENTS, OR EMPLOYEES TO PURCHASER AND THAT NO MODIFICATION OF THIS AGREEMENT SHALL BE CLAIMED BY PURCHASER SUBSEQUENT TO EXECUTION HEREOF UNLESS FIRST REDUCED TO WRITING AND EXECUTED BY THE PARTIES HERETO. A RETURN OF PURCHASER'S DEPOSIT BY SELLER AT ANY TIME BEFORE ACCEPTANCE OF THIS AGREEMENT BY SELLER SHALL CONSTITUTE A REJECTION OF PURCHASER'S OFFER BY SELLER, WHEREUPON THIS AGREEMENT SHALL BECOME NULL AND VOID. PURCHASER UNDERSTANDS AND AGREES THAT THE SALES REPRESENTATIVE WITH WHOM PURCHASER HAS DEALT IN CONNECTION WITH THIS PURCHASE HAS NO AUTHORITY TO AGREE TO CHANGES OR MODIFICATIONS IN THE PLANS OR SPECIFICATIONS OR TO MAKE REPRESENTATIONS OR AGREEMENTS WITH PURCHASER NOT EXPRESSLY CONTAINED HEREIN OR IN WRITING SIGNED BY SELLER IN ACCORDANCE WITH THE TERMS OF THIS AGREEMENT. THE TERMS AND CONDITIONS SET FORTH ON THE AGREEMENT DOCUMENTS AND ALL ADDENDA HERETO ARE EXPRESSLY INCORPORATED INTO THIS AGREEMENT AND ARE A MATERIAL AND INTEGRAL PART THEREOF.
- 39. **SEVERABILITY:** The invalidity, illegality, or unenforceability of any provision in this Agreement shall not render the other provisions invalid, illegal, or unenforceable.
- 40. **CREDIT CARDS:** Purchaser agrees not to use credit cards or buy any expensive items that are not paid off within 30 days of being charged until this sale closes. Failure to adhere to this provision shall be deemed a breach of this Agreement.
- 41. **ADDITIONAL ADDENDUMS/PROVISIONS:** (See the following addendums attached hereto and made a part hereof to this Agreement) List all addendums)

Purchaser Initials: x

Seller Initials: x
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



NEW HOME SALES AGREEMENT

a.

b. *The New Home Order, when fully executed by the Purchaser and Seller, is incorporated herein by reference and becomes part of this Agreement.*




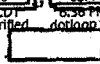
42. Lender: Bank of Bartlett Loan Officer: Chao Lin
Email: cln@bankofbartlett.com Fax: _____ Cell: 901 315 7441

43. Making loan application denotes understanding and acceptance of loan.

44. PURCHASERS CERTIFY THEY DO NOT OWN A HOME WITH A FIRST MORTGAGE THAT MUST BE PAID OFF TO QUALIFY FOR THIS LOAN. This Agreement is not  on the s  g of any home or any other real estate.
Purchaser Initials:   X

45. If this offer becomes a ratified agreement, any prior understandings, contracts or agreements between the parties, that have not been Ratified, will become null and void.

46. A return of Purchaser's deposit money by Seller to the Purchaser or Purchaser's agent at any time before acceptance and signing of this offer by Seller shall constitute a rejection of Purchaser's offer by the Seller; whereupon this Offer will become Null and Void.

Purchaser Initials:   X
03/11/20 03/11/20
Seller Initials:   XX
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NEW HOME SALES AGREEMENT

X DocuSigned by:
PURCHASER Joseph Pereira
2FE926B1863248F...
Email address: pereira15@hotmail.com
 Address: _____
 Home Phone: (206 406 5033) Work Phone: (_____)
 Cell Phone: (_____)

DocuSigned by:
X [Signature]
PURCHASER 4ADC6B4BA...
Email address: juliedelgado816@gmail.com
 Address: _____
 Home Phone: (425 280 7310) Work Phone: (_____)
 Cell Phone: (_____)

RATIFIED AGREEMENT DATE:
04/13/2020
Final and accepted Agreement between Seller and Purchaser

Regency Homebuilders, LLC

Sean Carlson dotloop verified
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 Title _____

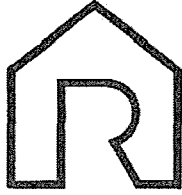
Regency Realty, LLC:

BY: **XXX** Amanda Hamilton dotloop verified
03/03/20 5:53 PM CST
98KW-LWIS-DPCI-FMWS DATE: 03/03/2020
 Facilitator/Transaction Broker
 Cell # 901 481 8249 email address: amanda.hamilton@regency-realty.com

CO-OP REALTOR FIRM: Kaizen

BY: **XXXX** DocuSigned by:
Meleah Thurmond-Edwards DATE: 03/05/2020
 Buyer's Agent 7098A929A3E948D...
 Cell # 901.246.9755 Email address: meleah@thurmondedwards.com

Purchaser Initials: [Signature] [Signature] **X**
 Seller Initials: SP [Signature] **XX**
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CUT OFF PHASES

AFTER 1ST DESIGN APPOINTMENT – CAN'T CHANGE...

- Plumbing
 - o Plumbing Openings
 - o Zero Entry Showers
 - o Tubs (type, adding jets, etc.)
 - o Sinks, Water Lines, Gas Lines, etc.
- Any Structural Change
- Exterior Doors/Pocket Doors
- Exterior Door Hardware
- Windows
- Roofing
- Louvers
- Brick/Stone/Exterior Trim
 - o Siding, Cornice
 - o Smart Trim, etc.
- Fireplace (interior)
 - o Type, Location
- Nail Down Hardwood
- Green Features
- HVAC
 - o Can change until pre-construction meeting in case the builder recommends anything different
- Floor Outlets
- Heated Tile
- Cabinets
- Cabinet Hardware

AFTER FRAMING – CAN'T CHANGE...

- Plumbing Fixtures
-

- Appliances
- Trim Color (exterior)
- Electrical/Adding New Lighting
- Low Voltage
- Additional Flatwork

AFTER PRE SHEETROCK MEETING — CAN'T CHANGE...

- Drywall
- Insulation
- Granite
- Trim
- Paint
- Mirrors
- Shower Glass
- Wrought Iron Railing
- Hardware (interior doors)
- Hardwood
- Tile
- Carpet
- Light Fixtures (for existing fixtures)
 - o If there is already wiring (cannot move location)
- Garage Door
- Gutters
- Shelving

UP UNTIL 3 WEEKS BEFORE CLOSING — CAN CHANGE

- Blinds
- Fencing
- Refrigerators
- Washer and Dryer
- Range (if applicable)

I/We, the purchaser, have reviewed the previous pages of this document and understand what changes and/or additions can be made to my home at a specified time. Any change or addition will have a fee and payment will be due at the time of change. (Please refer to Selection Sheet for applicable fees). All information is subject to change without notice.

DocuSigned by:



3/8/2020 | 12:43 PM CDT

Purchaser's Signature:

Joseph Pereira
2FE92691883248F...

Date: 03/03/2020

Agent's Signature:

Amanda Hamilton

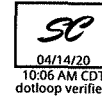
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Date: 03/03/2020

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PRICE LIST — WINSTEAD FARMS



Stonebridge 3550	\$487,900	Winston 3106	\$442,900
Elevation "B"	\$4,900	Optional Outdoor Living	\$5,900
Elevation "C"	\$10,900	Optional Outdoor Wood Burning Fireplace	\$3,450
Optional Outdoor Living	\$5,400	Optional Outdoor Ventless Gas Fireplace	\$4,100
Optional Outdoor Wood Burning Fireplace	\$3,450	Optional Master Bath	\$1,900
Optional Outdoor Ventless Gas Fireplace	\$4,100	Optional Media Room	\$10,900
Optional 3' Extension to Breakfast Room	\$2,900		
Optional Master Bath with Walk Thru Shower	\$6,400		
Optional Bath #4	\$7,150		
Optional 3 Car Garage & Expanded Rec Room	\$19,900		
Optional Friends Entry	\$1,900		
		Landry 3054	\$438,900
Innisbrook 3478	\$479,900	Optional Outdoor Living	\$5,450
Elevation "B"	\$4,500	Optional Outdoor Wood Burning Fireplace	\$3,450
Elevation "C"	\$10,900	Optional Outdoor Ventless Gas Fireplace	\$4,100
Optional Outdoor Living	\$5,900	Optional 4' Extension to Great Room	\$5,900
Optional Outdoor Wood Burning Fireplace	\$3,450	Optional 4' Extension to Great Room and Outdoor Living	\$6,900
Optional Outdoor Ventless Gas Fireplace	\$4,100	Optional Sitting Area	\$3,900
Optional Expanded Hearth Room	\$4,900	Optional Master Bath	\$1,900
Optional Master Bath	\$1,900	Optional Office	\$1,800
Optional Bedroom #5 & Bath #4	\$16,900	Optional Media Room	\$11,900
Optional Rec Room Dormer	\$4,900	Optional 3 Car Garage & Extended Media Room	\$19,900
Optional 3 Car Garage & Expanded Rec Room	\$19,900	Optional Laundry Sink	\$1,150
Optional Laundry Sink	\$1,150		
		Abbington 2996	\$427,900
Winstead 3396	\$467,900	Optional Outdoor Living	\$5,450
Elevation "B"	\$8,900	Optional Outdoor Wood Burning Fireplace	\$3,450
Elevation "C"	\$5,900	Optional Outdoor Ventless Gas Fireplace	\$4,100
Optional Outdoor Living	\$5,900	Optional 3' Extension in Breakfast Room	\$2,800
Optional Outdoor Wood Burning Fireplace	\$3,450	Optional Sitting Area	\$2,950
Optional Outdoor Ventless Gas Fireplace	\$4,100	Optional Master Bath	\$500
Optional 4' Extension to Hearth Room	\$4,900		
Optional 4' Extension to Hearth Room & Outdoor Living	\$5,900		
Optional 2' Addition to Bedroom #2	\$2,200		
Optional 3 Car Garage & Expanded Rec Room	\$19,900		
		Lynwood 2949	\$422,900
Abbott 3275	\$457,900	Optional Outdoor Living	\$5,450
Optional Outdoor Living	\$5,450	Optional Outdoor Wood Burning Fireplace	\$3,450
Optional Outdoor Wood Burning Fireplace	\$3,450	Optional Outdoor Ventless Gas Fireplace	\$4,100
Optional Outdoor Ventless Gas Fireplace	\$4,100	Optional Bay Window	\$2,450
Optional Extended Vaulted Morning Room with Beams	\$6,900	Optional Great Room Fireplace Location	\$250
Optional Master Bath	\$6,900	Optional Flex Space/Office	\$600
Optional Bedroom #3	\$250		
		Westminster II 2864	\$412,900
Carrington 3183	\$447,900	Elevation "B"	\$2,900
Optional Outdoor Living	\$6,400	Elevation "C"	\$3,900
Optional Outdoor Wood Burning Fireplace	\$3,450	Elevation "D"	\$4,900
Optional Outdoor Ventless Gas Fireplace	\$4,100	Optional Outdoor Living	\$5,900
Optional Indoor Fireplace Location	\$250	Optional Outdoor Wood Burning Fireplace	\$3,450
Optional 3' Bump Out to Bedroom #3	\$2,800	Optional Outdoor Ventless Gas Fireplace	\$4,100
Optional Office	\$600	Optional Breakfast Room Extension	\$2,900
Optional Master Bath	\$1,900	Optional 4' Hearth Room Extension	\$5,900
Optional Bedroom #6	\$10,900	Optional 4' Hearth Room & Outdoor Living Extension	\$7,400
		Optional Master Bath	\$6,900
		Optional 3 Car Garage	\$15,900
		Optional 3 Car Garage & Extended Bonus Room	\$19,900

Side Load Garages Standard. Signature Features. 01/30/20

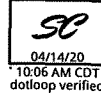
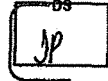
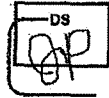
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CARRINGTON- 3183

3183 HEATED SQ FT / 3732 TOTAL SQ FT



* Finials, collector heads, cedar headers & decorative vents may be optional per community. 11/20/18

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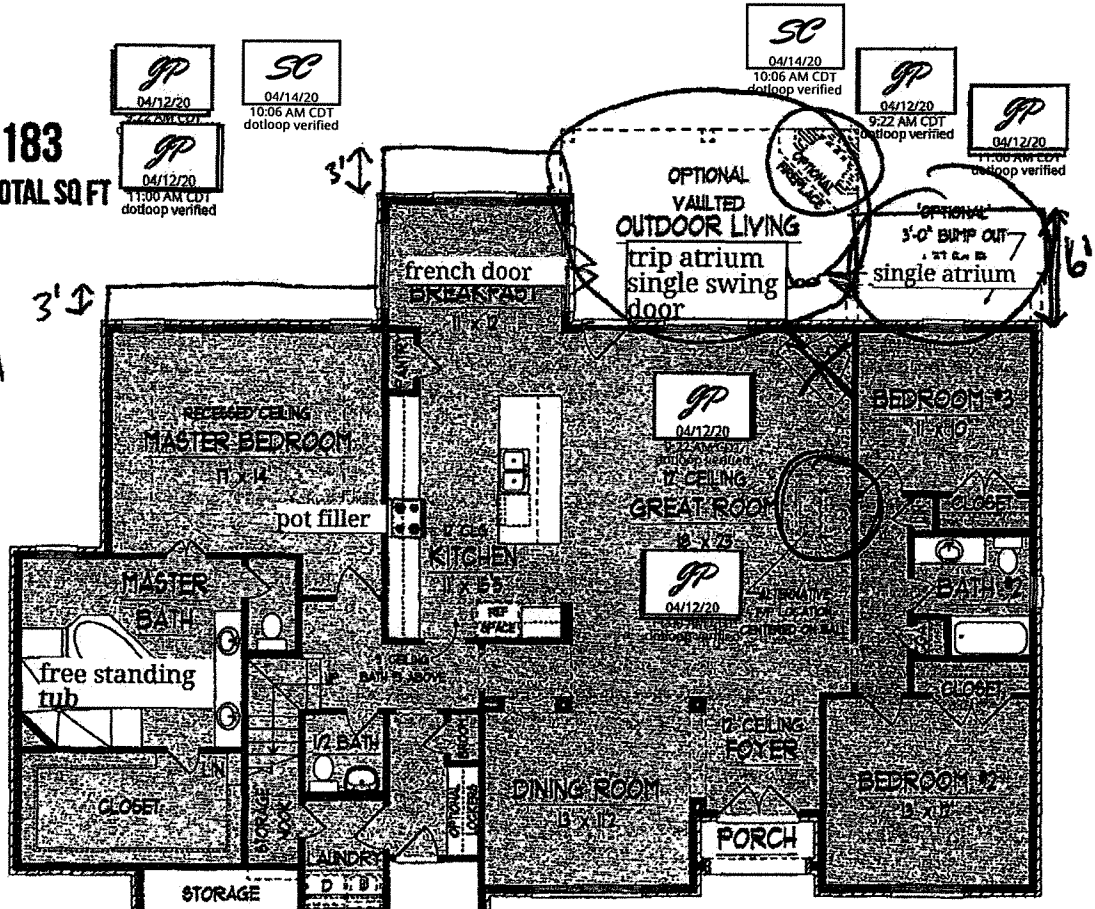
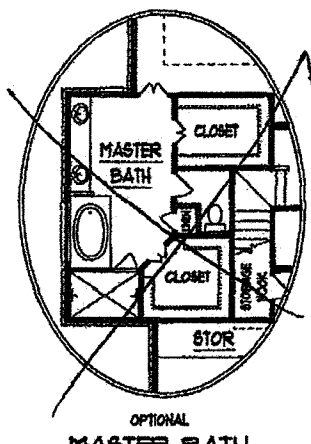
REGENCY HOMEBUILDERS
NewRegencyHomes.com

3420 South Houston Levee Rd
Germantown, TN 38139

© 2020 Regency Homebuilders. All Rights Reserved. Artist's concept may vary from actual construction. All information deemed reliable but not guaranteed. Plans, prices, and features are subject to change without notice.

CARRINGTON- 3183

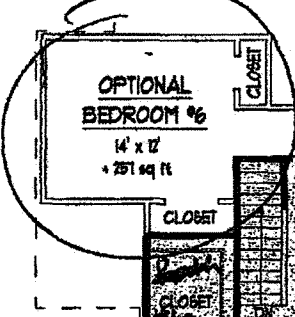
3183 HEATED SQ FT / 3732 TOTAL SQ FT



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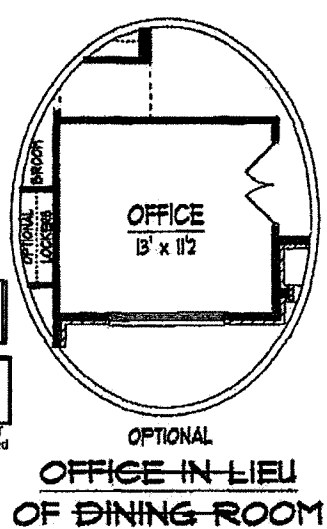
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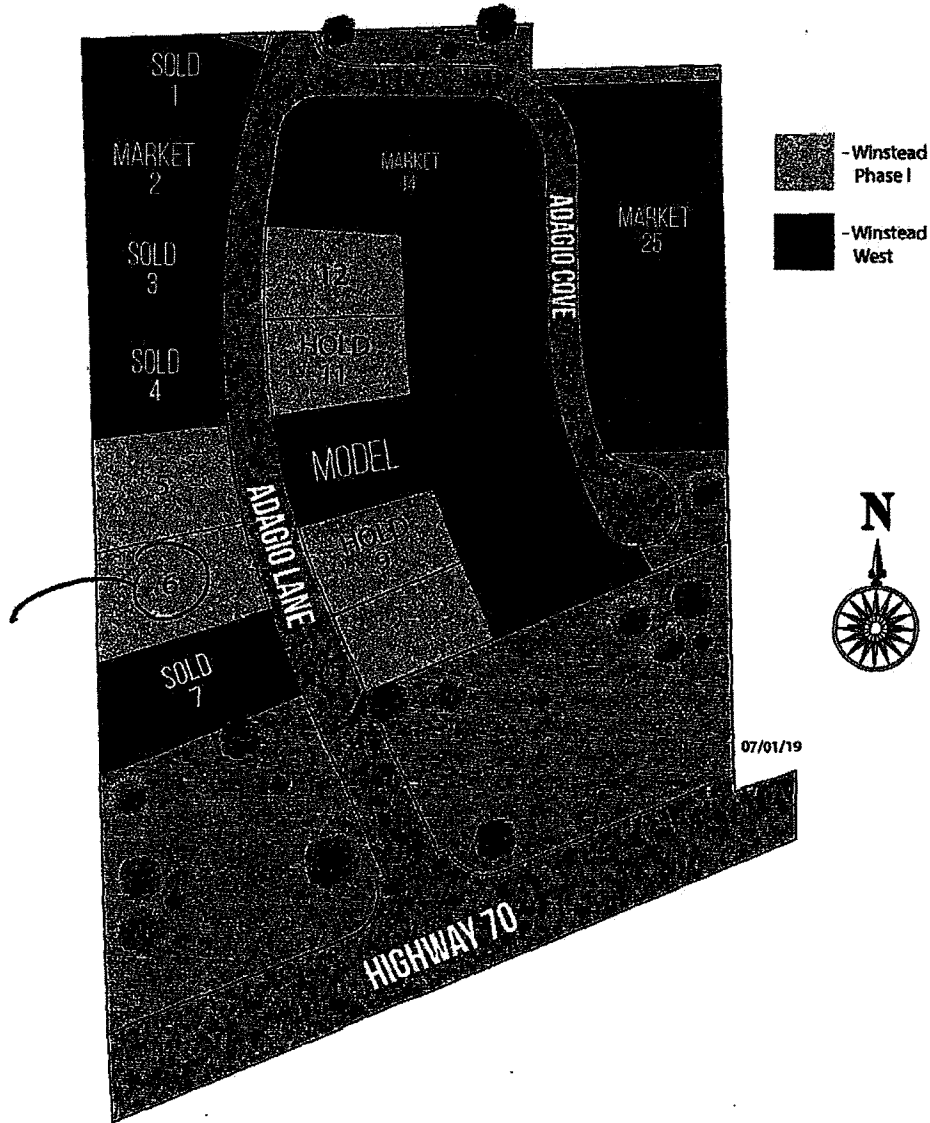
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SITE MAP — WINSTEAD FARMS



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LOT PREMIUMS — WINSTEAD FARMS

- 2 — \$0
- 5 — \$2,500
- 6 — \$2,500
- 9 — \$0 HOLD
- 10 — MODEL
- 11 — \$2,500 HOLD
- 12 — \$0

X

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SIGNATURE FEATURES



Exterior Features

- 8 foot ThermaTru Fiber-Classic® (no rot) stained front door(s) with limited lifetime warranty or solid wood mahogany front door(s)
- Two car garage with carriage style doors, garage door opener with two remotes, and wall mounted key pad
- Owens Corning® architectural roof shingles with 30 year manufacturer's limited warranty
- 100% James Hardie masonry exterior trim and siding with 30 year manufacturer's limited warranty
- Complete DuPont Tyvek® energy efficient home wrap system with 10 year limited warranty to ensure protection from the elements
- DuPont Tyvek® Protec protective roofing underlayment with 30 year limited warranty and Class A fire rating
- Brick on front elevation and three sides, per plan and builder's specs
- Professional landscaping with sod and/or seeded yards
- Mailbox with wrought iron stand
- Gutters and downspouts on all eaves of home (per plan)
- Front and rear weatherproof GFI outlets
- Concrete patio(s), walks and driveway (per subdivision standards)

Interior Features

- 9 foot ceilings on first floor (per plan)
- Vaulted, coffered, and/or tray ceilings throughout (per plan)
- Oil rubbed bronze or brushed nickel door hardware
- Smooth two panel interior doors
- 8 foot interior doors downstairs
- 3^{1/4} inch door & window trim downstairs, and 2^{1/4} inch upstairs
- 4^{1/4} inch crown molding in entry, formal dining, and hearth/great room
- 4^{1/4} inch base molding downstairs, and 3^{1/4} inch upstairs
- Wrought iron railing on stairs and balcony per plan
- Complete security system finished with keypad
- Pre-wired for 6 cable and/or phone outlets
- Designer lighting package in choice of oil rubbed bronze or satin nickel finish
- Oil rubbed bronze or satin nickel ceiling fans in great/hearth room(s), and master bedroom
- Blocked and wired for future fan in secondary bedrooms
- 36 inch ventless fireplace with custom wood mantel, tile surround, and gas logs
- Large closets with durable ventilated shelving
- Pre-finished oak hardwood flooring in entry, dining area, great/hearth room(s), morning/breakfast room, kitchen, and downstairs hallways (per plan)
- Stain-resistant carpet with high density pad in remaining areas
- Entry stairs with stained oak treads to landing, backstairs carpet
- Tile floors run diagonally in laundry room
- Squared openings (per plan)
- Smooth walls and ceilings throughout
- Rounded bullnose corners throughout
- Designer style cabinets with large crown molding in laundry room (per plan)
- Walk-in attic spaces with flooring and ventilation (per plan)

Kitchen Features

- GE® Stainless steel appliances including: electric range with self-cleaning oven, quiet wash dishwasher with electronic controls, over the range built-in microwave, and 1/2 horsepower disposal
- Designer style cabinets with large crown molding
- 3 cm granite countertops
- Oil rubbed bronze or satin nickel Moen® pull out faucet
- Stainless steel undermount sink

Bath Features

- Drop-in tub with hydra-jets and tile surround in master bath
- Raised height vanities with undermount sinks
- Pedestal sink in powder room (per plan)
- 2 cm granite countertops in all baths
- Elongated white commodes in all baths
- Oil rubbed bronze or satin nickel Moen® plumbing fixtures
- Tile floors run diagonally in all baths
- Oil rubbed bronze or satin nickel trim on glass shower enclosure

Customer Service

- 3 hour complete Design Studio appointment with personal Design Consultant to customize all Interior & exterior selections (\$100 per exceeding hour)
- Personal Builder to walk you through each step of the process
- 1 year limited warranty with local, in-house warranty team

Energy Efficient Features

- LOW-E vinyl energy efficient double glazed windows with screens
- Energy efficient insulation package includes:
 - R-30 blown insulation in ceilings
 - R-13 wall rating
- 14-SEER central air conditioning system
- Pilotless gas central heating system
- 50 gallon gas hot water heater(s) (per plan)

(See agent for more energy saving information)

Winstead Farms Phase I Specific Features

- Queen brick exterior
- Radiant barrier decking
- Level 2 hardwood
- Choice of Painted or stained cabinets
- Soft close cabinets & whisper glide drawers in kitchen
- 2 cm granite in laundry room
- Touchscreen security system keypad with smart home app capability
- 1 Additional hour of Design Studio time
- Community swimming pool

(R) 01/30/20

01.30.20

EXHIBIT 2

New Home Limited Warranty

Builder Copy

Purchaser: Julie Ann Pereira and Joseph Jonathan Pereira
Subdivision: Final Development Plan, Phase 1, Re-Subdivision of
Address: 5055 Adagio Ln, Lakeland, TN 38002
Lot # 6
Builder: Regency Homebuilders, LLC

The recipient of this warranty is the undersigned Purchaser. The warrantor is the undersigned Builder. The term of this warranty is for **one (1) year**. The commencement date of this warranty is the date of property transfer to Purchaser or the date of occupancy, whichever occurs first. **Any work performed after the one year limited warranty period for issues presented to the Builder before the expiration of the one year limited warranty period, does not extend the term of the warranty; no exceptions. This warranty is not transferrable.**

I. A list of acceptable performance standards and recommended remedies for deficiencies in this warranty is attached to and made a part of this warranty. (Refer to pages 10-25)

II Exclusions: Items that are not covered by this warranty. (Refer to page 26-27)

Date Warranty is to Begin: DATE OF CLOSING OR DATE OF OCCUPANCY: 6-4-21

Are there any items not covered by the warranty because they are not provided by the Builder?

Yes No

ONE YEAR LIMITED WARRANTY

Purchaser Initials: J AP

Purchaser and Builder agree to the terms and conditions of this One Year New Home Limited Warranty and agree that this limited warranty is Builder's sole warranty and that it limits the Builder's liability. Purchaser acknowledges the terms and conditions of this warranty, which is incorporated herein and agrees to follow the procedures enumerated herein. The expressed limited warranties contained therein are in lieu of all other warranties, statutory or otherwise, expressed or implied, all other representations made by Builder and all other obligations or liabilities with respect to said property, including any claim for breach of contract or any other cause of action, warranties of habitability, workmanlike construction, design conditions, quality, merchantability or fitness for a particular use and limit Purchaser's remedies and Builder's liabilities. In no event shall Builder's obligation exceed its obligation set forth in said warranty. In no event shall Builder be liable for consequential, incidental or punitive damages.

A. Notice to Builder: The Builder must be given written notice of a claimed defect within one (1) year from the Date of Closing or Date of Occupancy, whichever occurs first. The notice must contain a detailed description of the claimed defect and the Performance Standards section that covers the claimed defect. This notice must

be delivered to Builder through Builder's website at www.newregencyhomes.com by completing a warranty request with all required information listed under **contact us/warranty request**.

B. **Right to Cure:** After providing written notice of a claimed defect to the Builder, the Purchaser shall provide the Builder with a reasonable period of time to cure the claimed defect. The reasonableness of the period to effectuate repair of a claimed defect shall be determined based upon all the circumstances surrounding each claimed defect. Correct diagnosis of the cause or source of a claimed defect may involve a level of trial and error, which may extend the length of the cure period necessary to effectuate repair. The Builder shall not be deemed to be in violation of this One Year New Home Limited Warranty as long as, upon reviewing written notice from the Purchaser of a claimed defect, Builder proceeds diligently in attempting to locate the source of and cure for the claimed defect. All work, methods and materials necessary to repair a defect shall be performed or supplied by vendors and materials chosen solely by the Builder. The direction and supervision of the Builder's vendors rests exclusively with the Builder. If the Purchaser issues any instruction to these vendors, or otherwise interferes with the Builder's or Builder's vendor(s) efforts to repair the claimed defect, this One Year New Home Limited Warranty coverage of the claimed defect is void.

C. **DISPUTES OR CLAIMS:** It is mutually agreed that ALL disputes and controversies between the parties arising out of or in connection with the New Home Sales Agreement are to the existence, construction, validity, interpretation or meaning, performances, non-performance, enforcement, operation, breach, continuance, or termination thereof or any claim whatsoever, including, without limitation, alleged misrepresentation, unjust enrichment, fraud, negligence and violations of the Tennessee Consumer Protection Act shall be submitted to non-binding mediation in accordance with the rules and procedures of Resolute Systems, Inc. and by using the following procedure. Any warranty claims shall first be submitted to the dispute resolution procedure as set forth in the warranty program called for herein. Thereafter, either party may demand mediation by setting forth such claims in such detail as shall give the other party reasonable notice and by submitting the claim to mediation in accordance with the rules and procedures of Resolute Systems, Inc.


- I. Within thirty days after the demand, the other party shall prepare a response to the allegations set forth in the statement setting forth such other matters the other party considers pertinent.
- II. Each party shall bear (his or her or its) own mediation costs and expenses and shall equally bear the cost of the mediation.

Purchaser Initials:   Builder Initials: JB SC

B. If the parties are unable to settle or resolve the dispute or controversy by mediation, the procedures of Resolute Systems, Inc., the claim shall be submitted to binding arbitration in accordance with the rules and procedures of Resolute Systems, Inc., in which event the decision of the arbitrator shall be final and binding upon both Parties and may be entered in any court having jurisdiction. Demand for arbitration shall be made in writing with the other party to the claim and with the arbitrator. A demand for arbitration shall be made within a reasonable time after the claim, dispute or other matter in question has arisen, but in no event later than the date for the institution of legal proceedings based upon the law of the state where the property is located. The cost of the arbitrator shall be paid by the non-prevailing party or as determined by the arbitrator.

Purchaser Initials:   Builder Initials: JB SC

C. The parties stipulate that the provisions of this agreement shall be complete defense to any lawsuit, action, or proceeding instituted in any federal, state, or local court or before any administrative tribunal with respect to any controversy or dispute arising during the period of this agreement. The mediation and arbitration provisions shall, with respect to the controversy or dispute, survive the termination or expiration of the New Home Limited Warranty and New Homes Sales Agreement.

Purchaser Initials:   Builder Initials: JB SC

D. This New Home Limited Warranty provides for final and binding arbitration regarding any controversy, claim or complaint arising under said Warranty, which is not resolved by mutual agreement between the Purchaser

and Builder. Purchaser's sole remedy for any such unresolved warranty matter is mediation and binding arbitration stated herein, the right to sue the Builder in court being expressly waived.

Purchaser Initials: JP JSP Builder Initials: JB SC


THE PARTIES FURTHER AGREE THAT SUCH AGGRIEVED PARTY MUST EXHAUST ALL SUCH REMEDIES PRIOR TO FILING ANY LEGAL ACTION IN ANY COURT.

Purchaser Initials: JP JSP Builder Initials: JB SC

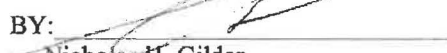
Access to your home: In order for the Builder to carry out his/her responsibilities under this agreement, they will require access to your home from time to time. By signing the application for this warranty coverage, you hereby agree: (1) To grant access to the Builder and their agents and contractors during normal business hours to inspect, repair, and conduct tests in your home as in their judgment may be required, and (2) Appoint the Builder as your attorney in fact for the purpose of applying or moving for an order to compel access to your home during normal business hours in order for them or their agents or contractors to inspect, repair, and conduct tests in it. **Failure to allow access to your home will void this New Home Limited Warranty.**

New Home Limited Warranty Agreement is attached and incorporated herein by reference

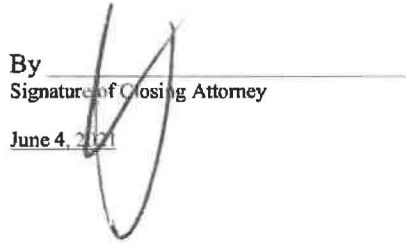

Julie Ann Pereira


Joseph Jonathan Pereira

Regency Homebuilders, LLC

BY: 
Nicholas H. Gilder
Authorized Signatory

Memphis Title Company

By 
Signature of Closing Attorney
June 4, 2021



Regency Homebuilders LLC
3420 S. Houston Levee
Germantown, TN 38139
(901) 275-8502

NEW HOME LIMITED WARRANTY

Regency Homebuilders, LLC

New Home Limited Warranty

Purchaser Copy

Purchaser: Julie Ann Pereira and Joseph Jonathan Pereira
Subdivision: Final Development Plan, Phase 1, Re-Subdivision of
Address: 5055 Adagio Ln, Lakeland, TN 38002
Lot # 6
Builder: Regency Homebuilders, LLC

The recipient of this warranty is the undersigned Purchaser. The warrantor is the undersigned Builder. The term of this warranty is for **one (1) year**. The commencement date of this warranty is the date of property transfer to Purchaser or the date of occupancy, whichever occurs first.

Any work performed after the one year limited warranty period for issues presented to the Builder before the expiration of the one year limited warranty period, does not extend the term of the warranty; no exceptions. This warranty is not transferrable.

- I. A list of acceptable performance standards and recommended remedies for deficiencies in this warranty is attached to and made a part of this warranty. (Refer to pages 10-25)
- II Exclusions: Items that are not **covered** by this warranty. (Refer to page 26-27)

Date Warranty is to Begin: DATE OF CLOSING OR DATE OF OCCUPANCY: 6-4-21

Are there any items not covered by the warranty because they are not provided by the Builder?

Yes No (Please check one item)

ONE YEAR LIMITED WARRANTY

Purchaser Initials: JAP JJP

Purchaser and Builder agree to the terms and conditions of this warranty and agree that this One Year Limited Warranty is Builder's sole warranty and that it limits the Builder's liability. Purchaser acknowledges the terms and conditions of this warranty, which is incorporated herein and agrees to follow the procedures enumerated herein. The expressed limited warranties contained therein are in lieu of all other warranties, statutory or otherwise, expressed or implied, all other representations made by Builder and all other obligations or liabilities with respect to said property, including any claim for breach of contract or any other cause of action, warranties of habitability, workmanlike construction, design conditions, quality, merchantability or fitness for a particular use and limit purchaser's remedies and Builder's liabilities. In no event shall seller's obligation exceed its obligation set forth in this limited warranty. In no event shall Builder be liable for consequential, punitive or incidental damages.

A. Notice to Builder: The Builder must be given written notice of a claimed defect within one (1) year from the Date of Closing or Date of Occupancy, whichever occurs first. The notice must contain a detailed description of the claimed defect and the Performance Standards section that covers the claimed defect. This notice must

be delivered to Builder through Builder's website at www.newregencyhomes.com by completing a warranty request with all required information listed under **contact us/warranty request**.


B. **Right to Cure:** After providing written notice of a claimed defect to the Builder, the Purchaser shall provide the Builder with a reasonable period of time to cure the claimed defect. The reasonableness of the period to effectuate repair of a claimed defect shall be determined based upon all the circumstances surrounding each claimed defect. Correct diagnosis of the cause or source of a claimed defect may involve a level of trial and error, which may extend the length of the cure period necessary to effectuate repair. The Builder shall not be deemed to be in violation of this One Year New Home Limited Warranty as long as, upon reviewing written notice from the Purchaser of a claimed defect, Builder proceeds diligently in attempting to locate the source of and cure for the claimed defect. All work, methods and materials necessary to repair a defect shall be performed or supplied by vendors and materials chosen solely by the Builder. The direction and supervision of the Builder's vendors rests exclusively with the Builder. If the Purchaser issues any instruction to these vendors, or otherwise interferes with the Builder's or Builder's vendor(s) efforts to repair the claimed defect, this One Year New Home Limited Warranty coverage of the claimed defect is void.

C. **DISPUTES OR CLAIMS:** It is mutually agreed that ALL disputes and controversies between the parties arising out of or in connection with the New Home Limited Warranty are to the existence, construction, validity, interpretation or meaning, performances, non-performance, enforcement, operation, breach, continuance, or termination thereof or any claim whatsoever, including, without limitation, alleged misrepresentation, unjust enrichment, fraud, negligence and violations of the Tennessee Consumer Protection Act shall be submitted to non-binding mediation in accordance with the rules and procedures of Resolute Systems, Inc. and by using the following procedure. Any warranty claims shall first be submitted to the dispute resolution procedure as set forth in the warranty program called for herein. Thereafter, either party may demand mediation by setting forth such claims in such detail as shall give the other party reasonable notice and by submitting the claim to mediation in accordance with the rules and procedures of Resolute Systems, Inc.

- I. Within thirty days after the demand, the other party shall prepare a response to the allegations set forth in the Statement setting forth such other matters the other party considers pertinent.
- II. Each party shall bear (his or her or its) own mediation costs and expenses and shall equally bear the cost of the mediation.

Purchaser Initials:  Builder Initials: JB SC

D. If the parties are unable to settle or resolve the dispute or controversy by mediation, the procedures of Resolute Systems, Inc., the claim shall be submitted to binding arbitration in accordance with the rules and procedures of Resolute Systems, Inc., in which event the decision of the arbitrator shall be final and binding upon both Parties and may be entered in any court having jurisdiction. Demand for arbitration shall be made in writing with the other party to the claim and with the arbitrator. A demand for arbitration shall be made within a reasonable time after the claim, dispute or other matter in question has arisen, but in no event later than the date for the institution of legal proceedings based upon the law of the state where the property is located. The cost of the arbitrator shall be paid by the non-prevailing party or as determined by the arbitrator.

Purchaser Initials:  Builder Initials: JB SC

C. The parties stipulate that the provisions of this agreement shall be complete defense to any suite, action, or proceeding instituted in any federal, state, or local court or before any administrative tribunal with respect to any controversy or dispute arising during the period of this agreement. The mediation and arbitration provisions shall, with respect to the controversy or dispute, survive the termination or expiration of the New Home Sales Agreement.

Purchaser Initials:  Builder Initials: JB SC

D. This New Home Limited Warranty provides for final and binding arbitration regarding any controversy, claim or complaint arising under said Warranty, which is not resolved by mutual agreement between the Purchaser and Builder. Purchaser's sole remedy for any such unresolved Warranty matter is mediation and binding arbitration stated herein, the right to sue the Builder in court being expressly waived.

Purchaser Initials: JP JP Builder Initials: JB SC

THE PARTIES FURTHER AGREE THAT SUCH AGGRIEVED PARTY MUST EXHAUST ALL SUCH REMEDIES PRIOR TO FILING ANY LEGAL ACTION IN ANY COURT.

Purchaser Initials: JP JP Builder Initials: JB SC


Access to your home: In order for the Builder to carry out his/her responsibilities under this agreement, they will require access to your home from time to time. By signing the application for this warranty coverage, you hereby agree: (1) To grant access to the Builder and their agents and contractors during normal business hours to inspect, repair, and conduct tests in your home as in their judgment may be required, and (2) Appoint the Builder as your attorney in fact for the purpose of applying or moving for an order to compel access to your home during normal business hours in order for them or their agents or contractors to inspect, repair, and conduct tests in it. **Failure to allow access to your home will void the warranty**

New Home Limited Warranty Agreement is attached and incorporated herein by reference


Julie Ann Pereira


Joseph Jonathan Pereira

Regency Homebuilders, LLC

BY: 
Nicholas H. Gilder
Authorized Signatory

Memphis Title Company

By 
Signature of Closing Attorney

June 4, 2021



Regency Homebuilders LLC
3420 S. Houston Levee
Germantown, TN 38139
(901) 275-8502

Attn: WARRANTY

Your One Year New Home Limited Warranty (page 10) requires all requests for warranty to be entered on-line through our website at www.newregencyhomes.com or by fax to (901) 275-8508. Please complete all information requested on line, so your warranty issue can be resolved as quickly as possible.



Regency Homebuilders LLC
3420 S. Houston Levee
Germantown, TN 38139
(901) 275-8502

NEW HOME LIMITED WARRANTY AGREEMENT

Purchaser and Builder agree to the terms and conditions of this warranty and agree that this limited warranty is Builder's sole warranty and that it limits the Builder's liability. Purchaser acknowledges the terms and conditions of this warranty, which is incorporated herein and agrees to follow the procedures enumerated herein. The expressed limited warranties contained therein are in lieu of all other warranties, statutory or otherwise, expressed or implied, all other representations made by Builder and all other obligations or liabilities with respect to said property, including any claim for breach of contract or any other cause of action, warranties of habitability, workmanlike construction, design conditions, quality, merchantability or fitness for a particular use and limit Purchaser's remedies and Builder's liabilities. In no event shall Builder's obligation exceed its obligation set forth in said warranty. In no event shall Builder be liable for consequential, incidental or punitive damages.

I. ONE YEAR WORKMANSHIP AND MATERIAL LIMITED WARRANTY

For a period of one (1) year beginning on the commencement date specified above ("Warranty Period"), Builder warrants to Purchaser, and only Purchaser, that the Residence will be free from defects in workmanship and materials resulting in non-compliance with the Standards of Construction, a copy of which is attached hereto as Exhibit "A". If no standard has been adopted regarding a certain item, then Builder warrants that the Residence will be free from defects in workmanship and materials due to non-compliance with the structural, mechanical, electrical, and quality standards of the home building industry for the geographic area in which the Residence is located which are in effect at the time the Residence is constructed.

II. ONE YEAR SYSTEMS LIMITED WARRANTY

For a period of one (1) year beginning on the commencement date specified above ("Warranty Period"), Builder warrants to Purchaser, and only Purchaser, that the Residence will be free from defects in the installation of the plumbing, mechanical, or electrical, based upon building codes in effect at the time the Residence was constructed; provided, however, that this warranty does not apply to defects in an appliance, fixture, or item of equipment or defects in the plumbing, cooling, or electrical systems caused by defects in an appliance, fixture, or item of equipment.

III. ONE YEAR MAJOR STRUCTURAL LIMITED WARRANTY.

For a period of one (1) year beginning on the commencement date specified above ("Warranty Period"), Builder warrants to Purchaser, and only Purchaser, that the residence will be free from Major Structural Damage as defined in the Standards of Construction.

IV. CONSUMER PRODUCTS EXCLUDED.

Any appliance, item of equipment, or other item in the Residence which is a "consumer product" for the purposes of the Magnuson-Moss Warranty Act (15 U. S. C. 2301 through 2312) is not warranted by the Builder under this Limited Warranty or otherwise. The Purchaser must rely entirely on the manufacturer's warranty. The following are examples of "consumer products", although other items in the Residence may also be consumer products: refrigerator, trash compactor, range, dishwasher, garbage disposal, air conditioner, furnace, hot water heater, clothes washer and dryer, and thermostat. (Note: the Residence may not contain all of these items).

V. ASSIGNMENT OF MANUFACTURERS' LIMITED WARRANTIES.

Builder hereby assigns to Purchaser the manufacturers' warranties on all appliances, equipment, and "consumer products" installed in the Residence. A copy of these warranties has been delivered to Purchaser, and Purchaser hereby acknowledges receipt of same. Purchaser should follow the procedure set forth in the applicable warranty if a defect appears in any appliance, item of equipment, or other consumer product.



Regency Homebuilders LLC
3420 S. Houston Levee
Germantown, TN 38139
(901) 275-8502

VI. OTHER EXCLUSIONS FROM COVERAGE,

In addition to consumer products, the liability of the Builder under this Limited Warranty shall NOT apply or extend to, and Builder assumes no responsibility for, loss or damage caused by:

- A. Defects in design, installation, or materials that Purchaser supplied, installed, or had installed under his direction,
- B. Additions, alterations, or modifications to the Residence or real property on which it is located done by or at the direction of the Purchaser.
- C. Introduction of water into the soils surrounding the Residence by parties other than Builder or parties under the control of Builder.
- D. Normal wear and tear or normal deterioration.
- E. Normal shrinkage caused by drying of the Residence and the materials used therein with tolerances generally acceptable under the building standards in effect for the geographic area in which the Residence is situated or within the standards of construction.
- F. Normal settling of the Residence within tolerances generally acceptable under the building standards in effect for the geographic area in which the Residence is situated or within the standards of construction.
- G. Dampness and condensation caused by the failure to provide sufficient ventilation after occupancy by parties other than Builder or parties under the control of Builder.
- H. Negligent or intentional failure to maintain the Residence by parties other than Builder or parties under the control of Builder.
- I. Changes in the grading of the ground around the Residence by parties other than Builder or parties under the control of Builder.
- J. Failure to maintain the grades, swales, and drainage patterns established by Builder to assure that any water falling on the property surrounding the Residence, whether from natural precipitation or lawn irrigation, will flow positively away from the Residence.
- K. Landscaping installed by or at the direction of Purchaser or damage resulting from the Purchaser's failure to observe any operating instruction furnished by the Builder.
- L. Insects or animals.
- M. Failure to maintain the Residence in good condition and repair or damage resulting from the Purchaser's failure to observe any care or operating instructions furnished by the Builder.
- N. Failure of Purchaser to take timely action to minimize such loss or damage and/or failure of Purchaser to give Builder proper or timely notice of the defect.
- O. Accidents, natural disasters, or acts of God, including, but not limited to: fire, explosion, smoke, water escape, unforeseen changes in the water table, wind, hail, lightning, falling trees, aircraft and vehicles, flood, tornados, earthquake, except when the loss or damage is caused by Builder's failure to comply with either the Standards of Construction or the building code, as applicable.
- P. Soil movement where the resulting loss or damage is compensated for by legislation or covered by insurance.
- Q. Soil conditions of the real property upon which the Residence is constructed if such real property was owned by Purchaser and obtained by Purchaser from a source independent of Builder.
- R. Defects in an appliance, item of equipment, or consumer product.
- S. Any defect that does not result in actual loss or damage.
- T. Malfunction of equipment or lines of utilities including gas, telephone, power, water or sewer.
- U. Builder is not responsible for roof leaks or damage caused by wind driven rain, windstorm, hail, flood, ice build-up, tornados or any weather related instances. Call your Homeowner Insurance.
- V. Any defect in mahogany doors, including but not limited to, defects related to cracking, splitting, rotting, warping, and finish



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VII. PROCEDURES.

- A. **Written Notice of Claim:** If Purchaser discovers a defect which is covered by this One Year New Home Limited Warranty, Purchaser must give written notice to Builder through the Builder's website at www.newregencyhomes.com. If Purchaser has no internet access please contact the Builder by faxing the following information to (901) 275-8508 and specify the name, address, and telephone number of Purchaser; the nature of the defect; the date the defect first occurred; the loss or damage claimed; and the times (Builder's working hours are 9:00 am to 4:00 pm, Monday through Friday) that Builder may have access to the Residence to inspect the loss or damage and, if necessary, take corrective action. Such notice shall be received by Builder as soon as practical after Purchaser either discovers, or in the exercise of reasonable diligence, should have discovered the defect in the Residence or the loss or damage caused by such defect, but in no event later than the last day that this warranty expires.
- B. **Emergency Repairs:** If the defect constitutes an emergency situation, specific subcontractor should be notified by telephone. Emergency situations are **only**:
1. Total loss of heat.
 2. Total loss of electricity or no electricity to the furnace or range.
 3. Total sewer stoppage for the home.
 4. A plumbing leak that requires all water to be shut off to the home.
 5. Total loss of hot water.
 6. Roof Leak Damage: Call Homeowner Insurance Co.
- C. **Builder Response:** Builder or its agent, representative, employee, or subcontractor will try to contact Purchaser within ten (10) business days following Builder's receipt of the notice of the claim to schedule an inspection of the Residence and, if necessary, to schedule the corrective action to be taken by Builder. Builder shall proceed with due diligence to complete any corrective action undertaken by Builder; provided, however, that any delay caused by strikes, labor disputes, boycotts, shortages of labor or materials, governmental actions or inaction, weather, acts of God, or any other fact or circumstance beyond the reasonable control of Builder shall not be a basis for a claim of lack of diligence on the part of Builder. Builder's obligations to proceed with due diligence shall be suspended for as long as any condition, fact, or circumstance shall continue to exist.

VIII. REMEDIES.

- A. **Repair or Replacement.** If, following the inspection of the Residence, Builder determines that a valid warranty claim exists, Builder shall repair or replace, at its option, (i) the defective item and (ii) the damage to those portions of the Residence installed by Builder caused thereby. Builder shall not be responsible if (i) a repaired area of prefinished material does not match in color and/or texture or (ii) patterns in floor coverings, or other finished surfaces have been discontinued. All work shall be performed by Builder or subcontractors chosen by Builder. Builder will not honor invoices, bills, or receipts for labor performed or materials furnished by or at the direction of Purchaser. If repair or replacement is impractical, the Builder may pay to the Purchaser the Builder's reasonable estimate of diminution in value caused by the defect.
- B. **Limitation of Liability.** Builder's liability under this Limited Warranty:
1. Shall **not** exceed the purchase price paid by Purchaser for the Residence.
 2. Shall **not** extend to incidental consequential secondary damages such as bodily injury, loss of use, mental or emotional distress, pain and suffering, damaged to personal property, or damage to real property which is not part of the Residence.
 3. Shall **not** extend to defects discovered after the Residence is no longer used primarily as a dwelling.
 4. Shall **not** extend to attorneys' fees, expenses or costs.
- C. **Warranty Not Extended.** Actions taken by Builder to correct a defect(s) shall not extend the term of this warranty.

IX. ASSIGNABILITY

The warranties provided in this One Year New Home Limited Warranty are personal to Purchaser and may not be transferred or assigned by Purchaser to subsequent owners of the Residence.

X. EXCLUSIVE WARRANTY

Except as provided in the One Year New Home Limited Warranty and to the fullest extent permitted by law, BUILDER MAKES NO OTHER REPRESENTATIONS OR WARRANTIES, OF ANY NATURE, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THOSE OF WORKMANLIKE CONSTRUCTION, HABITABILITY, DESIGN, CONDITION, QUALITY, OR OTHERWISE AS TO THE PROPERTY AND THE RESIDENCE AND/OR OTHER IMPROVEMENTS CONSTRUCTED THEREON AND BUILDER HEREBY EXPRESSLY DISCLAIMS ANY SUCH REPRESENTATIONS OR WARRANTIES INCLUDING ANY BREACH OF CONTRACT OR ANY OTHER CAUSE OF ACTION. Purchaser acknowledges that Purchaser has thoroughly examined the Residence, has read and understands the One Year New Home Limited Warranty and that the Builder has made no guarantees, warranties, understandings nor representations (nor have any been made by agents or representatives of the Builder) except as set forth in this document. Purchaser hereby acknowledges and accepts such disclaimer and agrees to waive any and all rights he may have by virtue of representations and warranties. Except for the warranties provided in this One Year New Home Limited Warranty, *Purchaser assumes the risk of any and all damage hereafter occurring in or appearing on the property or the Residence and other improvements construction thereon regardless of the cause thereof.* Purchaser's assumption of this risk is partially in consideration of the amount of the purchase price of the Residence which is lower than it would be if Builder was to be held responsible for any such risks by virtue of said express or implied representations or warranties.

XI. OTHER RIGHTS

This One Year New Home Limited Warranty gives you, as Purchaser, specific legal rights. You may also have other legal rights that vary from state to state.

APPLICABLE LAW/SEVERABILITY

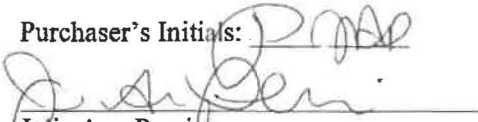
This One Year New Home Limited Warranty shall be construed in accordance with the laws of the State of Tennessee. If any portion of this One Year New Home Limited Warranty is deemed illegal or unenforceable, the remainder shall be enforced as if the offending portion did not exist.

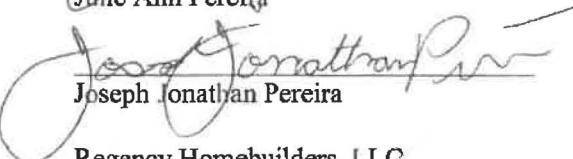
ARBITRATION

Any dispute regarding this One Year New Home Limited Warranty shall, at the option of the Builder, be submitted to binding arbitration under the facilities and procedures of Resolute Systems, Inc.

Purchaser's Initials:

Builder's Initials: JB SC


Julie Ann Pereira


Joseph Jonathan Pereira

Regency Homebuilders, LLC

BY: 

Nicholas H. Gilder
Authorized Signatory



Regency Homebuilders LLC
3420 S. Houston Levee
Germantown, TN 38139
(901) 275-8502

NEW HOME LIMITED WARRANTY

Performance Standards -Topic Index

The Performance Standards list specific items within each separate area of coverage. The standards are expressed in terms of performance criteria. For easy comprehension, the format is designed as follows:

1. **Possible Deficiency** - a brief statement, in simple terms, of problems that may be encountered.
2. **Performance Standard** - a performance standard relating to a specific deficiency.
3. **Responsibility** - a statement of the corrective action required of the Builder to repair the deficiency during the first year after purchase or a statement of the Purchaser's maintenance responsibilities.

Workmanship and Materials (One Year Only)	Page(s)
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3. Masonry	13
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CONSTRUCTION QUALITY STANDARDS

The following Construction Quality Standards are standards that have been developed and accepted by the residential construction industry in general. THEY APPLY ONLY TO THE ONE YEAR WORKMANSHIP WARRANTY.

You should be aware that all new homes go through a period of settlement and movement. During this period, your home may experience some minor material shrinkage, cracking and other events that are unavoidable and considered normal. You should also be aware that you are responsible for proper home maintenance. Changes, alterations or additions performed by anyone other than the Builder, Builder's employees, Builder's subcontractors, or Builder's vendors, are specifically excluded from the warranty and may void the warranty.

The following Construction Quality Standards are expressed in terms of required standards that the Builder's construction should meet. Non-compliance with these construction standards calls for corrective action by the Builder. Refer to other parts of this document for specific terms, definitions, exclusions and conditions that apply to the one year limited warranty.



Regency Homebuilders LLC
3420 S. Houston Levee
Germantown, TN 38139
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WORKMANSHIP AND MATERIALS

ONE YEAR LIMITED WARRANTY

I. Site Work

A. Site Grading

1. Possible Deficiency - The ground has settled around the foundation, over utility trenches, or in other areas.

Performance Standard - Settling of ground around foundation walls, over utility trenches, or in other filled areas shall not interfere with water drainage away from the home.

Responsibility - If the **Builder** has provided final grading, upon request by the Purchaser, the Builder will fill settled areas affecting proper drainage in excess of six inches (6") deep, one time only during the one year limited warranty period. The Purchaser will be responsible for removal and replacement of shrubs and other landscaping affected by placement of such fill.

B. Site Drainage

1. Possible Deficiency - Improper drainage of the site.

Performance Standard - The necessary grades and swales shall have been established by the Builder to insure proper drainage away from the Residence which is established by Final Inspection. Standing or ponding water shall not remain for extended periods in the immediate area after a rain (generally no more than 24 hours), except that in swales that drain other areas, or in areas where sump pumps discharge, a longer period can be anticipated (generally no more than 48 hours). The possibility of standing water after an unusually heavy rainfall should be anticipated. No grading determination shall be made while there is frost or snow on the ground, or while the ground is saturated. Driveways, sidewalks or other finished surfaces may be part of the swale.

Responsibility - The Builder is responsible only for initially establishing the proper grades and swales. The Purchaser is responsible for maintaining such grades and swales once they have been properly established and the sale has closed.

2. Possible Deficiency - The site has soil erosion.

Performance Standard - The Builder is not responsible for soil erosion due to acts of God, or other conditions beyond the Builder's control.

Responsibility - No action required.

II. Concrete

A. Cast-in Place Concrete

1. Possible Deficiency - Cracking of the slab in the attached garage

Performance Standard - Cracks in garage slabs in excess of 1/4 inch in width or 1/4 inch in vertical displacement shall be repaired.

Responsibility - The Builder will repair cracks exceeding maximum tolerances by surface patching.

2. Possible Deficiency - Uneven concrete floors or slabs.

Performance Standard - Except for basement floors or where a floor or portion of floor has been designed for specific drainage purposes, concrete floors in rooms designed for habitability shall not have pits, depressions or areas of unevenness exceeding three-eighths of an inch (3/8") in a thirty-two inch (32") measurement.

Responsibility - The Builder will correct or repair uneven concrete floors and/or slabs exceeding the maximum tolerance to meet the Performance Standard.

3. Possible Deficiency - Cracks in concrete slab-on-grade floors with finish flooring.

Performance Standard - Cracks which rupture the finish flooring material shall be repaired.



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Responsibility - The Builder will repair cracks in concrete slab-on-grade floors which rupture the finish flooring material.

4. **Possible Deficiency** - Pitting, scaling or spalling of scored and stamped concrete.
Performance Standard - Concrete floors and other surfaces are expected to crack. Cracks that display a variance of one-quarter of an inch (1/4") or more in displacement will be repaired. Concrete shall not disintegrate to the extent that the aggregate is exposed and loosened under normal conditions of weathering and use.
Responsibility - The Builder will take the necessary steps to make the repair, but the repaired area is not expected to match the original finish. The Builder is not responsible for deterioration caused by salt, chemicals, mechanical implements, excessive weight applied to the concrete, or other factors beyond the Builder's control.
5. **Possible Deficiency** - Settling, heaving, or separating of stoops, steps or garage floors.
Performance Standard - Stoops, steps or garage floors shall not settle, heave or separate in excess of one inch (1") from the house structures.
Responsibility - No measurement will be taken until the ground has had adequate opportunity to thaw. The Builder will take whatever corrective action is required to meet the Performance Standard.
6. **Possible Deficiency** - Standing water on stoops.
Performance Standard - Water should drain from outdoor stoops and steps. The possibility of minor water standing on stoops for a short period after rain should be anticipated.
Responsibility - The Builder shall take corrective action to assure drainage of steps and stoops.
7. **Possible Deficiency** - Basement or foundation wall cracks.
Performance Standard - Shrinkage cracks are not unusual in concrete foundation walls.
Responsibility - The Builder will repair cracks that are leaking.
8. **Possible Deficiency** - Cracking of basement floor.
Performance Standard - Minor cracks in concrete basement floors are normal. Cracks exceeding one-quarter of an inch (1/4") in width or three-sixteenths of an inch (3/16") in vertical displacement shall be repaired.
Responsibility - The Builder will repair cracks in concrete basement floors that exceed the maximum tolerances. Repair by caulking or patching is acceptable.
9. **Possible Deficiency** - Flowing or trickling water appears on interior crawl space surfaces.
Performance Standard - Crawl spaces should be graded and drained properly to prevent water from accumulating in excess of three-fourths of an inch (3/4") and larger than thirty-six inches (36") in diameter in the crawl space area.
Responsibility - The Builder will take the necessary corrective measures to create positive flow within the crawl space to discharge water to the exterior of the structure.
10. **Possible Deficiency** - Condensation is evident on the walls, earth, or floor insulation in the crawl space.
Performance Standard - Condensation in the crawl space shall not result from lack of adequate ventilation as required by local code. Condensation resulting from other causes is not the responsibility of the Builder.
Responsibility - The Builder will ensure that ventilation meets the local code requirements at the time of construction. Further reduction of condensation is a Purchaser maintenance responsibility.
11. **Possible Deficiency** - Wood columns are bowed or out of plumb.
Performance Standard - Wood columns shall not bow in excess of one inch (1") in an eight foot (8') measurement. When measuring from the base to the top of the column, wood columns shall not be out of plumb in excess of one-fourth of an inch (1/4") in a twelve inch (12") measurement nor exceed one and



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one-half inches (1 ½") in an eight foot (8') measurement.

Responsibility - The Builder shall repair any deficiencies in excess of the maximum tolerances provided in the Performance Standard.

III. Masonry

A. Unit Masonry

1. **Possible Deficiency** - Basement or foundation wall cracks.

Performance Standard - Small cracks not affecting structural stability are not unusual in mortar joints of masonry foundation walls. Cracks that are greater than one-fourth of an inch (1/4") in width shall be repaired.

Responsibility - The Builder shall repair basement or foundation wall cracks in excess of one-quarter inch (1/4") in width by pointing or patching.

2. **Possible Deficiency** - Cracks in masonry walls or veneer.

Performance Standard - Small cracks caused by shrinkage are common in mortar joints in masonry construction. Cracks greater than three-eighths of an inch (3/8") in width are considered excessive.

Responsibility - The Builder shall repair cracks in masonry walls or veneer that exceed the maximum tolerance by pointing or patching. The Builder is not responsible for color variation between old and new mortar.

3. **Possible Deficiency** - Mortar stains on exterior brick or stone.

Performance Standard - Exterior brick and stone shall be free from mortar stains detracting from the appearance of the finished wall when viewed from a distance of twenty feet (20').

Responsibility - The Builder will clean the mortar stains to meet the Performance Standard.

IV. Wood and Plastic

A. Rough Carpentry

1. **Possible Deficiency** - Floors squeak or subfloor appears loose.

Performance Standard - Floor squeaks and loose subfloor are often temporary conditions common to new construction, and a squeak-proof floor cannot be guaranteed.

Responsibility - No action required.

2. **Possible Deficiency** - Uneven wood floors.

Performance Standard - Floors shall not have a ridge or depression in excess of one-fourth of an inch (1/4") within any thirty-two inch (32") measurement, when measured parallel to the joists. Where the floor joists in a room are perpendicular, a ridge or depression shall not be considered a defect unless it is accompanied by a deflection in the flooring in excess of one-fourth of an inch (1/4"). Allowable floor and ceiling joist deflections are governed by the applicable building code.

Responsibility - The Builder will correct or repair ridges or depressions in wood floors to meet the Performance Standard.

3. **Possible Deficiency** - Bowed walls.

Performance Standard - All interior and exterior walls have slight variances on their finished surfaces. Bowing of walls should not detract from or blemish the wall's finished surface. Walls should not bow more than one-half of an inch (1/2") out of line within any thirty-two inch (32") horizontal or vertical measurement.

Responsibility - The Builder will repair to meet the Performance Standard.

4. **Possible Deficiency** - Out of Plumb walls.

Performance Standard - Walls should not be more than three-eighths of an inch (3/8") out of plumb in any thirty-two inch (32") vertical measurement.



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Responsibility - The Builder will repair out of plumb walls to meet the Performance Standard.

5. **Possible Deficiency** - Springiness, bounce, shaking, or visible sag is observed in floor.

Performance Standard - All beams, joists, rafters, headers, and other structural members shall be sized, and fasteners spaced, according to the National Forest Products Association span tables, or applicable local building codes.

Responsibility - The Builder will reinforce or modify as necessary, any floor, wall, ceiling, or roof not meeting the Performance Standard.

B. Finish Carpentry (Interior)

1. **Possible Deficiency** - Shrinkage or fit of interior trim.

Performance Standard - Joints in moldings or joints between moldings and adjacent surface shall not result in open joints in excess of one-eighth of an inch (1/8") in width.

Responsibility - Builder will repair defective joints, as defined by the Performance Standard. Such repairs shall be made one (1) time only during the one year limited warranty period. Repair by caulking is acceptable.

2. **Possible Deficiency** - Interior trim is split

Performance Standard - Splits, cracks, and checking are inherent characteristics of all wood products, and they are not a defect.

Responsibility - No action required.

C. Finish Carpentry (Exterior)

1. **Possible Deficiency** - Shrinkage or fit of exterior trim.

Performance Standard - Joints between exterior trim elements, including siding and masonry, shall not result in open joints in excess of three-eighths of an inch (3/8"). In all cases the exterior trim, masonry and siding shall be capable of performing its function of excluding the elements.

Responsibility - The Builder will repair open joints, as defined by the Performance Standard. Repair by caulking is acceptable.

2. **Possible Deficiency** - Exterior door hardware and kick plates have tarnished.

Performance Standard - Finishes on door hardware installed by the Builder are covered by manufacturer's warranty.

Responsibility - No action required. It is the Purchaser's responsibility to contact the manufacturer.

V. Thermal and Moisture

A. Insulation

1. **Possible Deficiency** - Insufficient insulation.

Performance Standard - Insulation shall be installed in accordance with applicable energy and building code requirements.

Responsibility - The Builder will install insulation in sufficient amounts to meet the Performance Standard.

B. Louvers and Vents

1. **Possible Deficiency** - Leaks due to snow or rain driven into the attic through louvers or vents.

Performance Standard - Attic vents and/or louvers must be provided for proper ventilation of the attic space of the structure.

Responsibility - No action required.

C. Roofing and Siding:

1. **Possible Deficiency** - Ice build-up on the roof.

Performance Standard - During prolonged cold spells, ice build-up is likely to occur at the eaves of a



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roof. This condition occurs when snow and ice accumulate and gutters and downspouts freeze up.
Responsibility - Prevention of ice build-up on the roof is the Purchaser's maintenance responsibility.

2. Possible Deficiency - Roof or flashing leaks.

Performance Standard - Roofs or flashing shall not leak under normal conditions. Roof or flashing leaks caused by damage due to wind driven rain, windstorm, hail, flood, ice build-up, tornados or any weather related instances or by Purchaser's action and/or negligence is not a defect covered by this One Year New Home Limited Warranty.

Responsibility - The Builder will repair any verified roof or flashing leaks not caused by ice build-up or Purchaser's action or negligence.

3. Possible Deficiency - Standing water on built up roofs.

Performance Standard - A properly pitched built-up roof is to drain water except for minor ponding. Dead flat roofs will retain a certain amount of water. Excessive ponding of water, which causes leaking of the built up-roof, is a deficiency.

Responsibility - The Builder will repair all leaks due to or caused by standing water. Standing or ponding water itself is not a deficiency.

4. Possible Deficiency - Delamination of veneer siding or joint separation.

Performance Standard - All siding shall be installed according to the manufacturer and industry accepted standards. Separations and delaminations shall be repaired or replaced. The proper maintenance of siding is the Purchaser's responsibility.

Responsibility The Builder will repair or replace siding separation and delamination as needed to meet the Performance Standard, unless caused by Purchaser's failure to maintain the siding properly. The Builder is not responsible for variations in the color and/or texture of the repaired area. For surfaces requiring paint, the Builder will paint only the new materials. The Purchaser can expect that the newly painted surface may not match original surface in color.

5. Possible Deficiency - Siding is bowed or wavy.

Performance Standard - Some waviness in lap siding is to be expected because of bows in studs. Thermal expansion waves or distortions in aluminum or vinyl lap siding, sometimes called oil canning, are unacceptable if they exceed one-fourth of an inch (1/4") in a sixteen inch (16") measurement.

Responsibility - The Builder will reinstall or replace siding as necessary to correct any thermal expansion waves or distortions to comply with the Performance Standard.

6. Possible Deficiency - Aluminum or vinyl lap siding trim is loose from house

Performance Standard - Trim shall not separate more than one-fourth of an inch (1/4") from the house.

Responsibility - The Builder will reinstall trim or caulk separations as necessary to comply with the Performance Standard.

7. Possible Deficiency - Aluminum or vinyl lap siding courses are not parallel with eaves or wall openings.

Performance Standard - Any piece of aluminum or vinyl lap siding more than one inch (1") off parallel in twenty feet (20') with contiguous courses, or contiguous break such as soffit line, is unacceptable.

Responsibility - The Builder will reinstall siding to comply with the Performance Standard and replace any siding damaged during removal.

8. Possible Deficiency - Aluminum or vinyl lap siding trim accessories are loose from caulking at windows or other wall openings.

Performance Standard - Siding trim accessories shall not separate from caulking at windows or other wall openings during the limited warranty period.

Responsibility - The Builder will repair or caulk aluminum or vinyl lap siding trim as necessary to seal the separation.



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9. **Possible Deficiency** - Aluminum or vinyl lap siding is not cut tight to moldings.
Performance Standard - Gaps between siding and molding shall not exceed one-fourth of an inch (1/4").
Responsibility - The Builder will correct gaps between aluminum or vinyl lap siding and molding to meet the Performance Standard.
10. **Possible Deficiency** - Siding end gaps are visible.
Performance Standard - Siding end gaps wider than one-fourth of an inch (1/4") are unacceptable.
Responsibility - The Builder will repair siding end gaps that do not meet the Performance Standard.
11. **Possible Deficiency** - Asphalt shingles do not overhang edges of roof, or hang too far over edges of roof.
Performance Standard - Asphalt shingles shall overhang roof edges by not less than one-fourth of an inch (1/4"), and not more than one inch (1"), unless the manufacturer's standards or specifications indicate otherwise.
Responsibility - The Builder will replace shingles that do not meet the Performance Standard.

D. Sheet Metal (if provided for houses equipped with gutters)

1. **Possible Deficiency** - Gutters and/or downspouts leak.
Performance Standard - Gutters and downspouts shall not leak but gutters may overflow during heavy rain.
Responsibility - The Builder will repair leaks. It is a Purchaser's responsibility to keep gutters and downspouts free of leaves and debris that could cause overflow.
2. **Possible Deficiency** - Water standing in gutters.
Performance Standard - When gutters are unobstructed by debris, the water level shall not exceed one (1) inch in depth. Industry practice is to install gutters approximately level. Consequently, small amounts of standing water in certain sections of gutter immediately after a rain should be anticipated.
Responsibility - The Builder will correct unobstructed gutters that accumulate water in excess of the maximum tolerance to meet the Performance Standard.

E. Sealants

1. **Possible Deficiency** - Leaks in exterior walls due to inadequate caulking.
Performance Standard - Joints and cracks in exterior wall surfaces and around openings shall be properly caulked to exclude the entry of water.
Responsibility - The Builder will repair and/or caulk joints or cracks in exterior wall surfaces as required to correct deficiencies. Such repairs will be made one (1) time only during the one year limited warranty period. Even properly installed caulking will shrink and must be maintained by the Purchaser during the life of the Home.

F. Waterproofing

1. **Possible Deficiency** - Leaks in basement.
Performance Standard - Leaks resulting in actual trickling of water shall be repaired. Leaks caused by improper landscaping or failure to maintain proper grades are not covered by this Limited Warranty. Dampness of the walls or floors may occur in new construction and is not a deficiency.
Responsibility - The Builder will take such action as necessary to correct basement leaks to comply with the Performance Standard, except where the cause is determined to result from Purchaser's action or negligence.

VI. Doors and Windows

A. Wood, Plastic and Metal Doors

1. **Possible Deficiency** - Warping of exterior and/or attic doors.
Performance Standard - Exterior doors and/or attic doors will warp to some degree due to temperature



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differential on inside and outside surfaces. However, they shall not warp to the extent that they become inoperable or cease to be weather resistant or exceed one-fourth of an inch (1/4") measured diagonally from corner to corner, based on National Woodwork Manufacturers Association Standards.

Responsibility - The Builder will correct or replace and refinish defective doors during the limited warranty period.

Note: All mahogany doors are specifically excluded from this Limited Warranty.

2. **Possible Deficiency** - Fit of interior passage and/or closet doors.
Performance Standard - Interior doors (full openings) shall not warp in excess of one-fourth of an inch (1/4") at the bottom and a maximum of three-eighths of an inch (3/8") on both sides and at the top, when the door is closed.
Responsibility - The Builder will correct or replace and refinish defective doors to match existing doors as nearly as possible, during the limited warranty period. Exact match of finish or color is not possible.
Note: All mahogany doors are specifically excluded from this Limited Warranty.
3. **Possible Deficiency** - Shrinkage of insert panels show raw wood edges.
Performance Standard - Panels will shrink and expand and unpainted surfaces may become exposed. This is normal.
Responsibility - No action required.
4. **Possible Deficiency** - Split in door panel.
Performance Standard - Split panels shall not allow light to be visible through the door.
Responsibility - The Builder will, if light is visible, fill split and match paint or stain as closely as possible, one time only during the one year limited warranty period.
Note: All mahogany doors are specifically excluded from this Limited Warranty.

B. Glass

1. **Possible Deficiency** - Broken or scratched glass.
Performance Standard - None.
Responsibility - No action required. Broken or scratched glass not reported to the Builder prior to closing or first occupancy is the Purchaser's responsibility.

C. Garage Doors on Attached Garages

1. **Possible Deficiency** - Garage doors fail to operate properly.
Performance Standard - Garage doors shall operate properly under conditions of normal use.
Responsibility - The Builder will correct or adjust garage doors as required to meet the Performance Standard, except where the cause is determined to result from Purchaser's action or negligence.
2. **Possible Deficiency** - Garage doors allow entrance of snow or water.
Performance Standard - Garage doors shall be installed as recommended by the manufacturer. Some entrance of the elements can be expected under abnormal conditions.
Responsibility - The Builder will adjust or correct garage doors to meet manufacturer's recommendations.

D. Wood, Vinyl and Metal Windows

1. **Possible Deficiency** - Malfunction of windows.
Performance Standard - Windows shall operate with reasonable ease, as designed.
Responsibility - The Builder will correct or repair malfunctioning windows as required to meet the Performance Standard.
2. **Possible Deficiency** - Condensation and/or frost on windows.
Performance Standard - Condensation is usually the result of climatic/humidity conditions. Condensation collecting on the interior surface of windows in conditions of extreme temperature



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differences or high humidity levels is not unusual and is not a deficiency.

Responsibility - Unless directly attributed to faulty installation, window condensation is a result of conditions beyond the Builder's control. No corrective action required.

E. Weather-stripping and Seals

1. **Possible Deficiency** - Air or water infiltration around doors and windows.

Performance Standard - Some infiltration is normally noticeable around doors and windows, especially during high winds. Poorly fitted weather-stripping shall be adjusted or replaced. It may be necessary for the Purchaser to have storm doors and storm windows installed to provide satisfactory solutions in high wind areas or during storms with high winds.

Responsibility - The Builder will adjust or correct poorly fitted doors, windows and poorly fitted weather stripping to meet the Performance Standard. Consequential loss or damage is not covered.

VII. Finishes

A. Gypsum Wallboard

1. **Possible Deficiency** - Nail pops, blisters, or other blemishes are visible on finished walls or ceilings.

Performance Standard - Slight "imperfections" such as nail pops, seam lines and cracks not exceeding one-eighth inch (1/8") in width are common in gypsum wallboard installations and are considered acceptable. Any such blemishes that are readily visible from a distance of six feet (6') under normal lighting conditions are unacceptable.

Responsibility - The Builder will repair only cracks exceeding one-eighth inch (1/8") in width, one time only, during the limited warranty period. The Builder will touch up paint in repaired areas if the Builder was responsible for the original interior painting. A perfect match between original and new paint cannot be expected. The Builder is not required to paint an entire wall or room to which repairs have been made.

B. Ceramic Tile

1. **Possible Deficiency** - Ceramic tile cracks or becomes loose.

Performance Standard - Ceramic tile shall not crack or become loose.

Responsibility - The Builder will replace cracked tiles and re-secure loose tiles, except where the defects were the result of the Purchaser's action or negligence. Replacement of cracked tiles will be performed one (1) time only during the limited warranty period. The Builder will not be responsible for discontinued patterns or color variations in ceramic tile.

2. **Possible Deficiency** - Cracks appear in grouting of ceramic tile joints or at junctions with other materials such as a bathtub.

Performance Standard - Cracks in grouting of ceramic tile joints are commonly due to normal shrinkage conditions. Cracks up to one-eighth of an inch (1/8") are acceptable.

Responsibility - The Builder will repair grouting, if necessary, to meet the Performance Standard. Such repairs will be made one (1) time only, during the limited warranty period. Repair by caulking is acceptable. The Builder will not be responsible for color variations or discontinued color grout. Re-grouting of cracks throughout the life of the home is a maintenance responsibility of the Purchaser.

C. Finished Wood Flooring

1. **Possible Deficiency** - Cracks developing between floor boards.

Performance Standard - Cracks in excess of one-eighth of an inch (1/8") in width shall be corrected.

Responsibility - The Builder will repair cracks in excess of one-eighth of an inch (1/8"), by filling or replacing, at Builder's sole discretion.

2. **Possible Deficiency** - Strip hardwood floor boards are cupped.

Performance Standard - Cups in strip hardwood floor boards shall not exceed one-sixteenth of an inch



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(1/16") in height in a three inch (3") maximum span measured perpendicular to the long axis of the board. Cupping caused by exposure to moisture beyond the control of the Builder is not covered.

Responsibility - The Builder will correct or repair cups in strip hardwood floorboards to meet the Performance Standard.

3. **Possible Deficiency** - Slivers or splinters appear in strip flooring.

Performance Standard - Slivers or splinters that occur during the installation of the flooring are unacceptable.

Responsibility - The Builder will repair to meet the Performance Standard.

4. **Possible Deficiency** - Hollow sound when flooring is walked on.

Performance Standard - Irregularities in slabs and wood flooring manufacturing may result in hollow sound in scattered locations, this is normal.

Responsibility - No repair necessary.

D. Resilient Flooring

1. **Possible Deficiency** - Nail pops appear on the surface of resilient flooring.

Performance Standard - Readily apparent surface nail pops are deficiencies.

Responsibility - The Builder will correct surface nail pops that have caused damage to the floor material and repair or replace damaged floor covering in the affected area. The Builder is not responsible for discontinued patterns or color variations. Any tears and gouges must be noted prior to first occupancy or closing on the home, whichever occurs first.

2. **Possible Deficiencies** - Depressions or ridges appear in the resilient flooring due to subfloor irregularities.

Performance Standard - Readily apparent depressions or ridges exceeding one-eighth of an inch (1/8") shall be repaired. The ridge or depression measurement is taken as the gap created at one end of a six-inch (6") straightedge placed over the depression or ridge with three inches (3") of the straightedge on one side of the defect, held tightly to the floor.

Responsibility - The Builder will take corrective action as necessary, to bring the defect within acceptable tolerance so that the affected area is not readily visible. The Builder will not be responsible for discontinued patterns or color variations in floor covering.

3. **Possible Deficiency** - Resilient flooring loses adhesion.

Performance Standard - Resilient flooring shall not lift, bubble or become unglued.

Responsibility - The Builder will repair or replace, at Builder's sole discretion, the affected resilient flooring as required. The Builder will not be responsible for discontinued patterns or color variations of floor covering, or for problems caused by Purchaser's neglect and/or abuse.

4. **Possible Deficiency** - Seams or shrinkage gaps show at resilient flooring joints.

Performance Standard - Gaps in joints in resilient flooring shall not exceed one-sixteenth of an inch (1/16") inch in width. Where dissimilar materials abut, the gap shall not exceed one-eighth of an inch (1/8").

Responsibility - At the Builder's sole option, the Builder will repair or replace the resilient flooring as necessary, to meet the Performance Standard. The Builder will not be responsible for discontinued patterns or color variations when replacing the floor covering.

5. **Possible Deficiency** - Bubbles appear on roll vinyl flooring.

Performance Standard - Bubbles resulting from trapped air that protrude higher than one-sixteenth of an inch (1/16") from the floor are not acceptable.

Responsibility - The Builder will repair bubbles in the roll vinyl flooring to meet the Performance Standard.



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E. Painting

1. **Possible Deficiency** - Exterior paint peels, deteriorates or fades.
Performance Standard - Exterior paints should not fail during the limited warranty period. However, fading is normal and the degree is dependent on climatic conditions.
Responsibility - If paint is defective, the Builder will properly prepare and refinish affected areas. The Builder shall not be responsible for matching colors and finishes. .
2. **Possible Deficiency** - Painting required as corollary repair because of other limited warranty work.
Performance Standard - Following the completion of the repairs required under this limited warranty, the Builder shall repaint the affected area. The Builder shall not be responsible for matching colors and finishes.
Responsibility - The Builder will finish repair areas as indicated to meet the Performance Standard.
3. **Possible Deficiency** - Deterioration of varnish, polyurethane or lacquer finishes.
Performance Standard - Natural finishes on interior woodwork shall not deteriorate during the limited warranty period. However, varnish type finishes used on the exterior will deteriorate rapidly and are not covered by the limited warranty.
Responsibility - The Builder will retouch affected areas of natural finish interior woodwork. The Builder shall not be responsible for matching colors or finishes.
4. **Possible Deficiency** - Mildew or fungus on painted surfaces.
Performance Standard - Mildew or fungus will form on painted surfaces, if the structure is subject to abnormal exposures (i.e. excessive rainfall, a lake, or a pond or river front location).
Responsibility - Mildew or fungus formation is a condition the Builder cannot control and is the Purchaser's maintenance responsibility unless it is a result of noncompliance with other sections of the Performance Standard that are reported to Builder during the one year limited warranty period.
5. **Possible Deficiency** - Interior paint does not cover the underlying surface.
Performance Standard - The surface being painted shall not show through new paint when viewed from a distance of six feet (6') under natural lighting conditions.
Responsibility - The Builder will recoat as necessary to meet the Performance Standard. The Builder shall not be responsible for matching colors or finishes.

F. Wall Covering

1. **Possible Deficiency** - Peeling of wall covering, installed by Builder.
Performance Standard - Peeling of wall covering shall not occur.
Responsibility - The Builder will match the existing wall covering to the best of the Builder's ability.
2. **Possible Deficiency** - Edge mismatching in pattern of wall covering.
Performance Standard - None.
Responsibility - No action required.

G. Carpeting

1. **Possible Deficiency** - Open carpet seams.
Performance Standard - Carpet seams will show. However, no visible gap is acceptable.
Responsibility - The Builder will correct visible gaps in carpet seams.
2. **Possible Deficiency** - Wall-to-wall carpeting becomes loose, seams separate or stretching occurs.
Performance Standard - Wall to wall carpeting, installed as the primary floor covering, when stretched and secured properly, shall not come up, become loose, or separate from its points of attachment.
Responsibility - The Builder will re-stretch or re-secure wall-to-wall carpeting that has become loose or has separated if the original installation was performed by the Builder, except if caused by normal wear and tear or moving furniture. Such repairs will be made one (1) time only during the limited warranty



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period.

- Possible Deficiency** - Spots on carpet, minor fading.
Performance Standard - Exposure to light may cause spots on carpet and/or minor fading, this is normal.
Responsibility - No action required.

H. Special Coatings

- Possible Deficiency** - Cracks in exterior cement stucco wall surfaces.
Performance Standard - Cracks are not unusual in exterior stucco wall surfaces. Cracks greater than one-eighth of an inch (1/8") in width shall be repaired.
Responsibility - The Builder will repair cracks exceeding one-eighth of an inch (1/8") in width. Such repairs will be made only once during the limited warranty period.
Note: Synthetic stucco is specifically excluded from this Limited Warranty.

VIII. Specialties

A. Louvers and Vents

- Possible Deficiency** - Inadequate ventilation of attics and crawl spaces.
Performance Standard - Attic and crawl spaces shall be ventilated as required by the local building code.
Responsibility - The Builder shall provide for adequate ventilation. The Builder will not be responsible for alterations to the original system that was installed by the Builder.

B. Fireplaces

- Possible Deficiency** - Fireplace or chimney does not draw properly.
Performance Standard - A properly designed and constructed fireplace and chimney shall function properly. It is normal to expect that high winds can cause temporary negative draft situations. Similar negative draft situations can also be caused by obstructions such as large branches of trees too close to the chimney. Some homes may need to have a window opened slightly to create an effective draft, if they have been insulated and weatherproofed to meet high energy conservation criteria.
Responsibility - Builder will determine the cause of malfunction and correct if the problem is one of faulty design or construction of the fireplace.
- Possible Deficiency** - Chimney separation from structure to which it is attached.
Performance Standard - Newly built fireplaces will often incur slight amounts of separation. Separation shall not exceed one-half of an inch (1/2") from the main structure in any ten foot (10') vertical measurement.
Responsibility - The Builder will determine the cause of separation and, if the Performance Standard is not met, correct the problem. Repair by caulking is acceptable.
- Possible Deficiency** - Firebox cracks or paint is changed by fire.
Performance Standard - None.
Responsibility - No action required.

IX. Cabinets and Counter Tops

A. Counter Tops

- Possible Deficiency** - Surface cracks, joint delaminations and chips in high pressure laminates on vanity and kitchen cabinet counter tops.
Performance Standard - Countertops fabricated with high pressure laminate coverings shall not delaminate.



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Responsibility - The Builder will replace delaminated coverings to meet the Performance Standard. The Builder will not be responsible for chips, scratches or cracks that were not noted by Purchaser during their inspection and walk thru prior to first occupancy or closing, whichever occurs first.

2. **Possible Deficiency** - Countertops are not level.
Performance Standard - Counter tops shall be no more than three-eighths of an inch (3/8") out-of-level in a ten foot (10') measurement. For remodeling projects where the floor is out of level, the counter top may be installed proportionately out-of-level.
Responsibility - The Builder will make necessary adjustments to out-of-level countertops to meet the Performance Standard.
3. **Possible Deficiency** - Granite and quartz countertop seams are not level.
Performance Standard - The seam(s) of the countertop should be level from front to back and not exceed one-eighth inch (1/8") in variation.
Responsibility - The Builder will take the proper steps to make this repair if it is out of tolerance. Granite and quartz countertops are natural surfaces and may crack. The Builder is not responsible for cracks, scratches or chips after the date of first occupancy or closing, whichever occurs first.
4. **Possible Deficiency** - Countertops separate from the wall.
Performance Standard - Countertops shall not separate from the wall by more than one-fourth of an inch (1/4").
Responsibility - The Builder will make necessary adjustments to meet the Performance Standard. Caulking is an acceptable method of repair.

B. Cabinets

1. **Possible Deficiency** - Kitchen cabinet doors and/or drawer fronts warp.
Performance Standard - Warping is not to exceed one-fourth of an inch (1/4") as measured from the face frame to point of the furthest warping, with door or drawer front in closed position.
Responsibility - The Builder will correct or replace warped kitchen cabinet doors or drawer fronts to meet the Performance Standard.
2. **Possible Deficiency** - Gaps between cabinets, ceiling or walls.
Performance Standard - The acceptable tolerance for gaps between cabinets, ceilings, or walls is one-fourth of an inch (1/4") in width.
Responsibility - The Builder will correct gaps exceeding the maximum tolerance to meet the Performance Standard.
3. **Possible Deficiency** - Cabinet doors or drawers bind.
Performance Standard - Cabinet doors and drawers shall open and close with reasonable ease.
Responsibility - The Builder will adjust or replace doors and drawers as necessary to meet the Performance Standard.
4. **Possible Deficiency** - Cabinet doors will not stay closed.
Performance Standard - The catches or closing mechanisms for cabinet doors shall be adequate to hold the doors in a closed position.
Responsibility - The Builder will adjust or replace the cabinet door catches or closing mechanisms as necessary to meet the Performance Standard.

X. Plumbing

A. Water Supply System

1. **Possible Deficiency** - Plumbing pipes freeze and burst.
Performance Standard - Drain, waste, vent and water pipes shall be adequately protected, as required



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by local code.

Responsibility - The Builder will correct pipes that do not meet local code requirements. It is the Purchaser's maintenance responsibility to drain or otherwise protect pipes, lines and exterior faucets from freezing temperatures. Builder is not responsible for damage caused by frozen pipes where Builder installed correctly and complied with local code.

B. Plumbing System

1. **Possible Deficiency** - Faucet or valve leak.

Performance Standard - No valve or faucet shall leak due to defects in workmanship or material.

Responsibility - Builder will repair or replace the leaking faucet or valve to meet the Performance Standard.

2. **Possible deficiency** - Defective plumbing fixtures, appliances or trim fittings.

Performance Standard - Plumbing fixtures, appliances or fittings shall comply with their manufacturer's standards.

Responsibility - The Builder will repair or replace any defective fixture, appliance or fitting which does not meet acceptable standards, as defined by the manufacturer.

3. **Possible Deficiency** - Noisy water pipes.

Performance Standard - There will be some noise emitting from the water pipe system, due to the flow of water, pipe expansion or contraction and is normal and not a deficiency. However, "water hammer" caused by improper installation shall be eliminated.

Responsibility - The Builder cannot remove all noises due to water flow and pipe expansion and contraction. The Builder will correct "water hammer" caused by improper installation.

4. **Possible Deficiency** - Cracking or chipping of porcelain or fiberglass surfaces.

Performance Standard - Chips and cracks on surfaces of bathtubs and kitchen sinks can occur when surface is hit with sharp or heavy objects.

Responsibility - The Builder will not be responsible for repairs unless damage has been reported to Builder prior to first occupancy or closing, whichever occurs first.

C. Water Supply

1. **Possible Deficiency** - Water supply system fails to deliver water.

Performance Standard - All on-site service connections to municipal water main and private water supply shall be the Builder's responsibility. Private systems shall be designed and installed in accordance with all approved building, plumbing and health codes.

Responsibility - The Builder will repair the water supply system, if the failure is the result of defective workmanship or materials. However, if conditions beyond the Builder's control disrupt or eliminate the sources of the supply, the Builder has no responsibility and no action is required.

D. Septic Tank System

1. **Possible Deficiency** - Septic system fails to operate properly.

Performance Standard - Septic system shall function adequately during all seasons, under normal or reasonably anticipated climatic conditions (based on local records) for the location of the home. Septic system shall be designed and installed to comply with applicable local health code requirements.

Responsibility - The Builder will repair or otherwise correct a malfunctioning or non-operating system, if the failure is caused by inadequate design, faulty installation, or other cause relating to actions of the Builder or contractors or subcontractors under the Builder's control. The Builder will not be responsible for system malfunction or damage that is a result of Purchaser's action and/or negligence, lack of system maintenance, or other causes attributable to actions of the Purchaser or Purchaser's contractors not under the control of the Builder; including, but not necessarily limited to: the addition of fixtures, items of equipment, appliances or other sources of waste or water to the plumbing system served by the septic system; and damage or changes to the septic system installation or surrounding soil conditions critical to



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the system's functioning.

E. Piping

- Possible Deficiency** - Leakage from any piping.
Performance Standard - No leaks of any kind shall exist in any soil, waste, vent or water pipe. Condensation on piping does not constitute leakage, and is not covered.
Responsibility - The Builder will make repairs to any pipes to eliminate leakage in conformance with the Performance Standard.
- Possible Deficiency** - Stopped up sewers, fixtures and drains.
Performance Standard - Sewers, fixtures and drains shall operate properly.
Responsibility - The Builder will not be responsible for sewer, fixtures and drains that are clogged as a result of Purchaser's action or negligence. If a problem occurs, the Purchaser should consult Builder for a proper course of action. Where defective construction is shown to be the cause, the Builder will assume the cost of the repair; where Purchaser action or negligence is shown to be the cause, the Purchaser shall assume all repair costs.

XI. Heating, Cooling and Ventilation

A. Heating

- Possible Deficiency** - Inadequate heating.
Performance Standard - Heating system should be able to maintain a temperature of seventy degrees (70°) degrees, measured at five feet (5') above the center of the floor, under local outdoor ASHRAE specifications. The Purchaser is responsible for minor adjustments such as balancing dampers and registers. On extremely cold days a five or six degree (5-6°) difference between the actual inside temperature and the thermostat setting is acceptable. The temperature in all rooms may vary by three to four degrees (3-4°). This is acceptable.
Responsibility - The Builder will correct systems that exceed the maximum tolerances to meet the Performance Standard.

B. Cooling

- Possible Deficiency** - Inadequate cooling.
Performance Standard - Where applicable the cooling system should be able to maintain a temperature of seventy-eight degrees (78°), measured five feet (5') above the center of the floor, under local outdoor ASHRAE specifications. The Purchaser is responsible for minor adjustments to the system, such as balancing dampers and registers. On a day when outside temperature is greater than ninety-five degrees (95°), a fifteen degree (15°) difference between the actual inside temperature and the thermostat setting is acceptable. The temperature in all rooms may vary by three or four degrees (3-4°), and such variance is acceptable.
Responsibility The Builder will correct the system to meet Performance Standard.
- Possible Deficiency** - Refrigerant lines leak.
Performance Standard - Refrigerant lines shall not develop leaks during normal operation.
Responsibility - The Builder will repair leaking refrigerant lines and re-charge unit, unless damage was caused by the Purchaser or Purchaser's negligence.

C. Condensation Lines

- Possible Deficiency** - Condensation lines clog up.
Performance Standard - None
Responsibility - The Builder shall provide unobstructed condensation lines at the time of first occupancy or close, whichever occurs first. Condensation lines will clog eventually under normal use and it is Purchaser's maintenance responsibility to avoid clogging of condensation lines.



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D. Air Distribution

1. **Possible Deficiency** - Noisy ductwork and oil canning.
Performance Standard - When metal is heated it expands and when cooled it contracts. The result is "ticking" or "crackling" which is generally to be expected.
Responsibility - No action required, noise is not a deficiency.

E. Ductwork

1. **Possible Deficiency** - Ductwork separates or becomes unattached.
Performance Standard - Ductwork shall remain intact and securely fastened.
Responsibility - The Builder will re-attach and secure all separated or unattached ductwork unless the defect was caused by actions of the Purchaser.

XII. Electrical

A. Electrical Conductors, Fuses and Circuit Breakers

1. **Possible Deficiency** - Fuses blow or circuit breakers (excluding ground fault interrupters) "kick out".
Performance Standard - Fuses and circuit breakers shall not activate under normal usage.
Responsibility - The Builder will check wiring circuits for conformity with local or electrical code requirements. The Builder will correct circuitry that does not conform to code specifications, unless changes have been made by the Purchaser.
Note - Ground fault interrupters are excluded from this warranty.

B. Outlets, Switches and Fixtures

1. **Possible Deficiency** - Drafts from electrical outlets, switches, or fixtures.
Performance Standard - Electrical junction boxes on exterior walls may produce air flow whereby the cold air can be drawn through the outlet into a room. The problem is normal in new home construction.
Responsibility - No action required.
2. **Possible Deficiency** - Malfunction of electrical outlets, switches or fixtures.
Performance Standard - All switches, fixtures and outlets shall operate as intended.
Responsibility - The Builder will repair or replace defective switches, fixtures and outlets.

C. Service and Distribution

1. **Possible Deficiency** - Ground fault interrupter trips frequently.
Performance Standard - Ground fault interrupters are sensitive safety devices installed into the electrical system to provide protection against electrical shock. These sensitive devices can be tripped very easily.
Responsibility - The Builder shall install ground fault interrupter in accordance with local electrical code. Tripping is to be expected and is not covered, unless it is determined that it is caused by a construction defect.

D. Wiring

1. **Possible Deficiency** - Failure of wiring to carry its designated load.
Performance Standard - Wiring should be capable of carrying the designated load for normal residential use.
Responsibility - The Builder will check wiring for conformity with local electrical code requirements. The Builder will repair wiring not conforming to code specifications.



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EXCLUSIONS FROM NEW HOME LIMITED WARRANTY

ITEMS THAT ARE NOT COVERED BY THIS WARRANTY

- A. Landscaping (including sodding, seeding, shrubs, trees, and planting); off-site improvements; or any other improvements not a part of the Residence itself.
- B. Any damage to the extent it is caused or made worse by
 - 1. Negligence, improper maintenance or improper operation by anyone other than the Builder, its employees, agents, vendors or subcontractors; or
 - 2. Changes in the grading of the ground by anyone other than the Builder, its employees, agents, vendors or subcontractors; or
 - 3. Changes, alterations or additions made to the Residence by anyone after the New Home Limited Warranty commencement date; or
 - 4. Failure by the Purchaser or by anyone other than the Builder, its employees agents, vendors or subcontractors to comply with the warranty requirements of manufacturers of appliances, fixtures and items of equipment; or
 - 5. Failure by the Purchaser to give notice to the Builder of any claimed defects within a reasonable time; or
 - 6. Dampness or condensation due to the failure of the Purchaser to maintain adequate ventilation.
- C. Normal wear and tear, normal deterioration, or Purchaser's failure to maintain the Residence.
- D. Loss or damage caused by or resulting from accidents, riot and civil commotion, fire, explosion, smoke, water escape, falling objects, aircraft, vehicles, Acts of God, lightning, windstorm, hail, flood, mudslide, earthquake, volcanic eruption, wind-driven water, underground water or other events which were not reasonably foreseeable.
- E. Loss or damage caused by rotting of any kind, insect damage, vermin, living organisms, radiation, pollution, or toxic substances of any kind.
- F. Loss or damage that arises while the Residence is being used primarily for nonresidential purposes.
- G. Any condition which does not result in actual physical damage to the Residence, including, but not limited to: uninhabitableness 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.
- H. Loss or damage caused by or resulting from abnormal loading on floors or in attic spaces by the Purchaser that exceeds design loads as mandated by building codes.
- I. Exterior concrete such as walks, drives, and patios, except for scaling and structural failure causing movements of sections of three-fourths of an inch (3/4") vertically, from one section to the next.
- J. Loss or damage, which the Purchaser has not taken timely action to minimize.
- K. Any defect in, caused by, or resulting from materials or work supplied by anyone other than the Builder, its employees, agents, vendors or subcontractors.
- L. Loss or damage, not otherwise excluded under this New Home Limited Warranty, which does not constitute a defect in the construction of the Residence by the Builder, its employees, agents, vendors or subcontractors.
- M. Loss or damage caused by or resulting from soil movement.
- N. Bodily injury or damage to personal property.
- O. Costs of shelter, transportation, food, moving, storage, or other incidental expenses related to inconvenience or relocation during repairs.



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- P. Consequential damages (except where required by state law).
- Q. Any defect pertaining to solid surface countertops is not covered by this One Year New Home Limited Warranty. The Purchaser should refer to the manufacturer's warranty on all solid surface countertops. The Builder is not required to take any action after the date of occupancy or date of close, whichever occurs first.
- R. Natural wood imperfections.
- S. Color variations in natural products.
- T. Color variations or discontinuations in any manufactured products
- U. Gloss or semi-gloss wall finishes.
- V. Any materials or fixtures added to brick, including but not limited to paint, slurry, or other brick coatings.
- W. Any conditions which are required or result from compliance with local building codes or ordinances.
- X. Appliances and equipment included in the Residence are not warranted under this One Year New Home Limited Warranty, but may be covered by separate warranties provided by the manufacturer. Any such warranty is passed on to the Purchaser at the time this One Year New Home Limited Warranty goes into effect.
- Y. Any warranty claim submitted to the Builder after an unreasonable delay or in any case later than the expiration of the limited warranty period.
- Z. Synthetic stucco
- AA. Mahogany doors.

EXHIBIT 3

ARBITRATION BEFORE RESOLUTE SYSTEMS, LLC

REGENCY HOMEBUILDERS, LLC,

Claimant

v.

JULIE PEREIRA,

Respondent.

STATEMENT OF CLAIM

Comes now Claimant, Regency Homebuilders, LLC (“Regency”), by and through its undersigned counsel, and submits its Statement of Claim against Julie Pereira as follows:

INTRODUCTION

1. Since 2007, Regency has built homes throughout the Mid-South, including Memphis, Arlington, Lakeland, Bartlett, Olive Branch, Southaven and Fayette County. Regency enjoys an excellent reputation in the community and takes pride in the quality of its homes.

2. This arbitration arises from Regency’s construction and sale of a home to Julie and Joe Pereira. The genesis of the dispute is two-fold. First, the parties agreed that they would not disparage or defame each other. Second, Ms. Pereira agreed that she would not contact or provide direction to Regency’s subcontractors, or otherwise interfere with Regency’s warranty work. Ms. Pereira has breached her agreements with Regency by publishing disparaging and defamatory comments regarding Regency and contacting and directing Regency’s subcontractors in their work. As a result, Regency is entitled to damages and an award against Ms. Pereira.

THE PARTIES

3. Regency is a limited liability company organized and existing under the laws of the State of Tennessee with its principal place of business in Memphis, Tennessee.

4. Julie Pereira is an adult resident of Shelby County, Tennessee who resides at 5505 Adagio Lane, Lakeland, Tennessee.

MANDATORY ARBITRATION

5. The Agreement requires that all disputes between the parties shall be submitted to non-binding mediation and then, if the parties are unable to resolve their dispute, to binding arbitration. *See* Agreement at ¶ 9; Ex. A.

6. The Warranty contains a similar provision, requiring all disputes to be submitted to non-binding mediation and then, if the parties are unable to resolve their dispute, to binding arbitration. *See* Warranty at page 2 of 30; Ex. B.

7. Regency has submitted its claims against Julie Pereira to non-binding mediation and now demands arbitration in accordance with the requirements of the Agreement and the Warranty.

FACTS

8. Julie and Joe Pereira contracted to purchase a home from Regency in April 2020. The Pereiras executed a New Home Sales Agreement (the “Agreement”) with Regency, a copy of which is attached as **Exhibit A**, for the purchase of a lot and house to be constructed at 5505 Adagio Lane in Lakeland, Tennessee.

9. In the subdivision the Pereiras chose, Regency offered prospective purchasers several floor plans. The Pereiras chose the “Carrington” plan for their home.

10. The Pereiras chose certain upgrades for their home, which Regency agreed to provide, and which were incorporated into the Agreement.

11. The total sales price for the home was \$533,655.00.

12. The Pereiras insisted on closing on the house early, before it was ready for a final walk through, because they were locked in on an interest rate and did not want to pay to extend the rate lock. Regency accommodated the Pereiras' request.

13. The closing occurred on June 4, 2021.

14. After closing on the house, Ms. Pereira commenced a smear campaign against Regency that has been publicly available on her Facebook page.

15. Section 35 of the Agreement provides that Regency and the Pereiras would not disparage or defame each other:

Purchaser and Seller covenant and agree that neither party will engage in any pattern of conduct that involves the making or publishing of written or oral statements or remarks (including, without limitation, the repetition or distribution of derogatory rumors, allegations, negative reports or comments) which are disparaging, deleterious or damaging to the integrity, reputation or goodwill of the Purchaser or Seller, their respective members, owners, officers, employees and/or agents of their respective products or services. Purchaser and Seller understand that any violation of this Section shall result in a breach of the Agreement, and the non-breaching party shall have the right to pursue all remedies available to it under this Agreement.

See Ex. A § 35. Section 35 survives the termination of the Agreement.

16. At closing, Regency provided the Pereiras a one-year, limited warranty, a copy of which is attached as **Exhibit B** (the "Warranty").

17. Regency and the Pereiras agreed that the warranty limited Regency's liability as follows:

The express limited warranties contained therein are in lieu of all other warranties, statutory or otherwise, expressed or implied, all other representations made by Builder and all other obligations or

liabilities with respect to said property, including any claim for breach of contract or any other cause of action, warranties of habitability, workmanlike construction, design conditions, quality, merchantability of fitness for a particular use and limit Purchaser's remedies and Builder's liabilities. In no event shall Builder's obligation exceed its obligation set forth in said warranty. In no event shall Builder be liable for consequential, incidental or punitive damages.

18. The Warranty provides that after providing written notice of a claimed defect to Regency, the Pereiras would provide Regency with a reasonable time to cure the claimed defect. *See* Ex. B (page 2 of 30) ¶ B "Right to Cure."

19. The Warranty also informs new homeowners that the "correct diagnosis or cause or source of a claimed defect may involve a level of trial and error." *Id.*

20. The Warranty further provides that "[a]ll work, methods and materials necessary to repair a defect shall be performed or supplied by vendors and materials chosen solely by [Regency]. The direction and supervisors of [Regency's] vendors rests exclusively with [Regency]. If the Purchaser issues any instruction to these vendors, or otherwise interferes with [Regency] or [Regency's] vendor(s) efforts to repair the claimed defect, this One Year New Home Limited Warranty coverage of the claimed defect is void." *Id.*

21. Within a short time after closing, Ms. Pereira made claims under her warranty, which were timely and appropriately addressed by Regency.

22. On December 28, 2021, counsel for Regency sent a letter to counsel for Ms. Pereira calling Ms. Pereira's attention to this provision and reserving its right to void certain of Ms. Pereira's claims should she continue to interfere with Regency's warranty work.

23. Regency complied with its warranty obligations and made extraordinary efforts to appease Ms. Pereira during a time when there have been supply-chain issues and other shortages due to the pandemic.

24. During the warranty period, in breach of her obligations, Ms. Pereira repeatedly contacted Regency's vendors and subcontractors and issued directions to them regarding certain claimed defects, all of which resulted in the warranty being void.

MS. PEREIRA'S POSTINGS

25. Ms. Pereira is a prolific poster on Facebook and Twitter (and perhaps on other platforms).

26. Upon information and belief, Ms. Pereira runs several online businesses where she frequently posts in order to influence others to purchase items or use certain discount codes, coupons and the like.

27. Ms. Pereira is vested in promoting herself online and having a strong online presence.

28. Ms. Pereira's Facebook page is accessible to her numerous "friends" on Facebook.

29. The general public also has access to Ms. Pereira's Facebook postings.

30. Ms. Pereira also posts on a Facebook page dedicated to "Lakeland Moms."

31. The Pereiras experienced some issues with their home post-closing that necessitated repairs. Regency timely and appropriately handled those repairs in accordance with its Warranty agreement with the Pereiras. In connection with these repairs, Regency provided the Pereiras with benefits and work that it was not legally obligated to provide under the Warranty.

32. Despite Regency's compliance with its obligations to the Pereiras under the Warranty, and despite Regency going above and beyond what was legally required to address

Ms. Pereira's concerns, Ms. Pereira publicized her grievances on Facebook, many times prior to giving Regency an opportunity to cure or complete a repair.

33. Ms. Pereira repeatedly posted throughout repair processes.

34. In addition, she directed construction processes and subcontractors during the repairs, and insisted on work stoppages that disrupted repair schedules.

35. For at least the past nine months, Ms. Pereira has published derogatory, negative, disparaging, deleterious and/or defamatory remarks about Regency on her publicly-available Facebook page, on the "Lakeland Moms" Facebook page, and perhaps in other platforms, resulting in numerous individuals reading those posts and following Ms. Pereira's self-described "journey" with Regency.

36. Ms. Pereira has incited many of the readers of her posts to sympathize with her and join her in berating Regency.

37. Just four days after closing, Ms. Pereira posted: "We FINALLY closed last week – it has been one very exhausting, stressful and less than joyful journey" and said that her realtor had become her "therapist of sorts" because of "major issues with the builder."

38. Five days later, on June 13, 2021, Ms. Pereira posted on Facebook claiming that there were over "30 major things wrong" with her home. This post was made only nine days after performing a final walk through of her home prior to closing, a copy of which is attached as **Exhibit C**. As shown on the attached, there are not "30+ major things" wrong with Ms. Pereira's home. Ms. Pereira's post is simply not true.

39. In the same post, Ms. Pereira complained that one of the thirty problems with her home was that Regency painted half of her walls eggshell and half flat "and EVEN MIXED THEM ON THE SAME WALL." Regency explained to Ms. Pereira that it primes the walls with

flat paint and finishes them with eggshell as a standard practice. Ms. Pereira did not take down her post.

40. Ms. Pereira's negative, critical, untrue posts continued through the fall as she chronicled her issues with Regency on her Facebook page. On September 24, 2021, Ms. Pereira posted a video, thanking her followers, stating "If you have been following our journey – thanks for all support as we deal with this disaster."

41. On October 15, 2021, Ms. Pereira posted: "I'm in search of a priest at this point . . . Not a single thing has gone right since they broke ground."

42. At one point in October, instead of blaming Regency, Ms. Pereira shifts the blame to the paranormal, posting: "Looking for someone to come do a reading/communication at our house. Some sage . . . something??? My daughter swears she hears footsteps. We keep having issues with/in our brand new house. And strange/unexplainable things keep occurring."

43. On December 9, 2021, Ms. Pereira posts: "[emojis] Looking for flooring company recommendations." There is no evidence that the Pereiras needed to replace their floors. In fact, a manufacturer's representative checked Ms. Pereira's floors and determined that they did not need to be replaced or repaired.

44. When Ms. Pereira had a legitimate issue with her plumbing, Regency fixed it at no cost and went beyond what was contractually required by providing the Pereiras with a housing and food allowance during the repair process. Under the Warranty, Regency was not obligated to provide housing or meals. *See* Warranty, page 11 of 30 (no liability for consequential damages or loss of use), page 29 of 30 (stating that the Warranty expressly excludes costs of shelter, transportation, food, and other incidentals relating to relocation during repairs).

45. Despite Regency correcting the plumbing issue and providing the Pereiras with a housing and food allowance, Ms. Pereira made numerous, critical posts of Regency during the plumbing repairs.

46. On January 31, 2022, Ms. Pereira posted: “A lot of people are asking me what’s going on with the house, so here’s an update.” By this time, Ms. Pereira has apparently amassed a large number of people following her posts about Regency and asking her about her problems with Regency.

47. Again on February 1, 2022, Ms. Pereira posted, “[H]ere’s another update, I’ve had a lot of people asking today and I really appreciate the support and concern for everything that’s going on for us.”

48. In February 2022, Ms. Pereira continued to post about Regency, this time making unfounded accusations about foundation problems with her house: “Left side of the house is having issues with doors not being able to close, separation of corners of the door frames, flooring bouncing and not coming in contact with the slab.”

49. On February 2, 2022, Ms. Pereira posted that the ground under her house is unstable.

50. On February 6, 2022, Ms. Pereira posted about “a major foundation issue.”

51. On February 6, 2022, Ms. Pereira posted that she is “[l]ooking for companies that do soil samples/bore testing for foundation and compaction issues” and notes that “[t]he whole ordeal is public on my wall.” She goes on to say that “[s]omething is seriously wrong with this house but I just keep getting blown off [emoji] and I’m not going to sit idly by.”

52. In a report dated May 22, 2021, an engineer whom Ms. Pereira chose to inspect her home concluded, “[i]t is our opinion that the referenced residence is structurally sound and

there was no evidence of any foundation settlement.” *See Exhibit D.* Ms. Pereira did not acknowledge or reference the May 2021 engineering report in her posts or state that her post was contrary to an engineering report that she had received.

53. In a report dated November 22, 2021, an engineer that Ms. Pereira hired found no indications of any slab or foundation settlement that would require structural repair, no indication of slab or foundation settlement that caused problems with her floors, and no issues with slab or foundation problems as a result of tree removal. *See Exhibit E.*

54. Nevertheless, in February 2022, Ms. Pereira continued to post about a “suspicious” crack relating to the plumbing repairs. Ms. Pereira failed to post, however, that the engineer gave a second written opinion on February 17, 2022 that the trench created when the plumbing repairs were done “has been properly backfilled and reinforced with rebar and concrete. The repaired slab is structurally sound.” *See Exhibit F.*

55. Ms. Pereira failed to post that an engineer gave a third opinion on February 21, 2022 that “[i]t is our opinion that the referenced residence is structurally sound and there is no evidence of any foundation settlement.” *See Exhibit G.*

56. Undoubtedly, Ms. Pereira was seeking affirmation and comments about Regency from her followers. Ms. Pereira received what she sought from her numerous followers who, after reading her posts, were left with an unfounded, extremely negative impression of Regency and its goods and services, as evidenced by their comments:

- They are horrible.
- This is just [expletive] up!!!
- What a disaster.
- They’ve got to be some of the worst builders in Tennessee.

- Sounds like you're living in a death trap.
- Who is the builder? We're looking into buying, I want to avoid this builder
- They are soulless reptoids.
- What a nightmare!
- They owe you a new house.
- I'm perplexed at how they thought it was okay to sell a new house with so many issues.
- This house seems like a lemon.

57. Upon information and belief, Ms. Pereira continues to make untrue, derogatory and defamatory statements about Regency that have caused and continue to cause damage to Regency.

58. Ms. Pereira's posts have cast Regency in a false light and damaged its reputation and goodwill.

59. Attached as **Exhibit H** are the posts referenced above, as well as a number of other posts, comments, and the screen shots of videos posted by Ms. Pereira that were either in breach of Section 35 of the Agreement and/or are disparaging and/or defamatory. These posts as well as others on Ms. Pereira's Facebook pages, and on information and belief, others she has made and which Regency has not yet discovered, are collectively referred to as the "Posts." The videos that are at issue will be submitted in a usable electronic format.

COUNT I
Breach of Contract – Section 35

60. Regency incorporates the previous paragraphs herein.

61. Section 35 of the Agreement provides that Regency and the Pereiras would not disparage or defame each other:

Purchaser and Seller covenant and agree that neither party will engage in any pattern of conduct that involves the making or publishing of written or oral statements or remarks (including, without limitation, the repetition or distribution of derogatory rumors, allegations, negative reports or comments) which are disparaging, deleterious or damaging to the integrity, reputation or goodwill of the Purchaser or Seller, their respective members, owners, officers, employees and/or agents of their respective products or services. Purchaser and Seller understand that any violation of this Section shall result in a breach of the Agreement, and the non-breaching party shall have the right to pursue all remedies available to it under this Agreement.

See Ex. A § 35.

62. By making the Posts, Ms. Pereira has breached Section 35 of the Agreement.

63. As a result of Ms. Pereira's breach of Section 35 of the Agreement, Regency has been damaged, including, but not limited to, impairment and injuries to its reputation, goodwill and standing in the community, out-of-pocket costs, and actual and pecuniary damages.

COUNT II
Breach of Warranty

64. Regency incorporates the previous paragraphs herein.

65. Ms. Pereira contacted subcontractors and suppliers, directed their work, and interfered with Regency's performance under the Warranty.

66. The Warranty provides that "[a]ll work, methods and materials necessary to repair a defect shall be performed or supplied by vendors and materials chosen solely by [Regency]. The direction and supervisors of [Regency's] vendors rests exclusively with [Regency]. If the

Purchaser issues any instruction to these vendors, or otherwise interferes with [Regency] or [Regency's] vendor(s) efforts to repair the claimed defect, this One Year New Home Limited Warranty coverage of the claimed defect is void.”

67. As a result of her actions, Ms. Pereira has breached the Warranty, caused damages to Regency, and caused the Warranty to be void and of no further effect.

COUNT III
Defamation

68. Regency incorporates the previous paragraphs herein.

69. Ms. Pereira made and published untrue statements regarding Regency that she made available to the public.

70. Ms. Pereira published these untrue statements knowing that they were false, or with reckless disregard for the truth of the statements, or with negligence in failing to ascertain the truth of the statements.

71. Ms. Pereira failed to correct or retract her posts. Ms. Pereira republished with knowledge that her posts were false. As a result, Ms. Pereira posted with legal malice, entitling Regency to an award of punitive damages. Ms. Pereira's publication of said statements resulted in actual damages to Regency, pecuniary damages, and injury to Regency's reputation, goodwill and standing in the community.

72. Because Ms. Pereira knowingly, willfully, recklessly and with malice made untrue posts, Regency is entitled to punitive damages.

WHEREFORE, Regency requests that

1. This matter be submitted to arbitration;
2. That Regency be awarded damages for breach of Section 35 of the Agreement;
3. That Regency be awarded damages for breach of the Warranty;
4. That the Warranty be declared void and of no further effect;
5. That Regency be awarded damages for defamation;
6. That Regency be awarded punitive damages.
7. That Regency be awarded its attorneys' fees;
8. That Regency be awarded pre- and post-judgment interest;
9. That Regency be awarded its costs;
10. That the arbitrator and forum fees be assessed against Julie Pereira; and
11. For such other and further relief to which Regency is entitled.

Respectfully submitted,



Shea Sisk Wellford (Tenn. Bar No. 16947)
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6410 Poplar Avenue, Suite 1000
Memphis, TN 38119-4839
Telephone: (901) 522-9000
Facsimile: (901) 527-3746
sheawellford@martintate.com

*Attorneys for Claimant Regency
Homebuilders, LLC*

EXHIBIT A



NEW HOME SALES AGREEMENT

Date: 03/03/2020

Regency Homebuilders, LLC, (hereinafter called "**Seller**") hereby agrees to sell and convey to

Joe Pereira and Julie Periera (hereinafter called "**Purchaser**"),

and Purchaser hereby agrees to purchase from Seller or Seller's assigns the following described real property situated in the

City of: Lakeland, County of Shelby County, State of Tennessee to-wit:

Lot 6, Winstead Farms **Subdivision**, commonly known as 5055 Adagio Lane (address),

together with a residential dwelling constructed or to be constructed thereon (hereinafter called the "Residence"), with plans and specifications prepared for Seller as **Plan #3183**, **Plan Name: Carrington**, and not in strict conformity with any model home. Seller reserves the right to make such changes or substitutions in the construction of the residence as may be required, authorized or approved by governmental agencies having jurisdiction there over, or as Seller deems appropriate so long as materials of equal or better quality are used, or as seller deems appropriate so long as the change does not affect the value of the home. Seller has the right to reverse the plan on the lot and determine that selected Plan fits on selected lot. Seller may require entry upon Purchaser's lot to complete construction on adjacent lots. Purchaser grants permission to Seller to enter or temporarily encroach upon Purchaser's lot for the sole purpose of completing construction on any immediately adjacent lots. Purchaser agrees to allow said entry or temporary encroachment upon Purchaser's lot without charge to Seller or any other obligation of Seller; except that Seller will repair any damages caused by Seller's construction work where such damage is located on Purchaser's lot. Seller is not responsible for damage to any of Purchaser's landscaping, fencing or other Purchaser's improvements that are actually located on a lot owned by Seller. Unfinished attic areas may not be suitable or available to use as storage areas, due to use of these areas for plumbing, electrical and/or heating, ventilation and air conditioning systems. If applicable, this New Home Sales Agreement ("hereinafter called "Agreement") is contingent on the Seller obtaining lot and/or construction financing.

1. **TOTAL SALES PRICE:** The sales price is (\$ 533,655), (five hundred thirty-three thousand six hundred fifty-five DOLLARS) to be paid to Seller by Purchaser in cash at closing.

2. **DEPOSIT MONEY:** 5000 Amanda Hamilton (real estate agent's name) acknowledges receipt of (\$5000) five thousand DOLLARS in the form of a check with said amount is to be paid to Seller as deposit money. UPON PREAPPROVAL OF PURCHASER'S LOAN, DEPOSIT MONEY IN THE AMOUNT OF (\$5000) five thousand DOLLARS WILL BECOME NON-REFUNDABLE. THIS AMOUNT WILL BE CREDITED TO PURCHASER AT CLOSING AND DEDUCTED FROM SELLER'S PROCEEDS.

3. A. **FINANCING:** This Agreement is contingent upon Purchaser securing a permanent and final loan approval and commitment from a lending institution, within fifteen (15) days from the Ratified Agreement date, for a Conventional, FHA, or VA Maximum Loan, at whatever the prevailing interest rate and terms, amortized over a maximum period of thirty (30) years. This fifteen (15) day time period can be extended at the sole option of the Seller. See Section 3C, below, for more detailed information regarding the required Loan Commitment.

B. **LOAN APPLICATION:** Purchaser agrees to make written application for loan with a Lender within **TWO (2)** days of Ratified Agreement date. A PREAPPROVAL LETTER IS TO BE PROVIDED TO SELLER WITHIN **FOUR (4)** DAYS OF THE RATIFIED AGREEMENT DATE. Purchaser agrees to provide all relevant information, as determined by Lender that is necessary for Lender to make a full and complete evaluation to be able to issue a pre-approval letter. THIS IS THE RESPONSIBILITY OF THE PURCHASER and/or REALTOR. The Purchaser must pay for credit report and appraisal at time of loan application. In the event the appraisal fee has been paid by Seller prior to Agreement, then Purchaser shall reimburse Seller at time of closing. The Purchaser hereby authorizes the Lender to release Purchaser's financial information (written or verbal) to Seller, to Seller's representative, or a construction lender, and requests that Lender do so as soon as such information is available. **Purchaser shall cooperate with Seller and Lender, Purchaser shall diligently and timely pursue loan approval in good faith, execute all documents and furnish all information and documents required by Lender and timely pay the costs of obtaining such loan. Failure to do so shall constitute a breach. Purchaser failing to make loan application, canceling the loan, or failing to obtain spouse's signature, co-borrower's or co-signer's signature on loan application or other loan documents, if applicable, or telling Agent or Lender they do not intend to close, or providing Lender with incorrect, incomplete, or misleading information or documents shall also constitute a breach.**

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Seller Initials: SC X
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NEW HOME SALES AGREEMENT

C. **LOAN COMMITMENT:** PURCHASER UNDERSTANDS AND CONFIRMS THAT THIS AGREEMENT IS CONTINGENT ON SELLER RECEIVING A PERMANENT AND FINAL LOAN APPROVAL AND COMMITMENT OF PURCHASER'S LOAN, WITH NO CONDITIONS OTHER THAN A CLEAR FINAL INSPECTION AND A CERTIFICATE OF OCCUPANCY FROM THE COUNTY, WITHIN FIFTEEN (15) DAYS OF THE RATIFIED AGREEMENT DATE. IT IS PURCHASER'S and/or REALTOR'S RESPONSIBILITY TO DELIVER THIS TO SELLER. IN THE EVENT PURCHASER FAILS TO DELIVER SAID APPROVAL AND COMMITMENT WITHIN THE STATED PERIOD, SELLER HAS THE OPTION OF REQUIRING PURCHASER TO IMMEDIATELY APPLY FOR LOAN AT A LENDER DESIGNATED BY THE SELLER OR DECLARING THIS AGREEMENT IN BREACH AND NULL AND VOID. Seller is not obligated to have the Residence ready for closing until Purchaser has completed all required duties and responsibilities under this AGREEMENT, including but not limited to Purchaser delivering to Seller a written "Permanent and Final Loan Approval and Commitment" with no conditions other than a clear final inspection by County Code Enforcement. However, Seller reserves the right to finish the Residence at any time. If the loan commitment letter is not available due to Purchaser's failure to comply with LOAN APPLICATION paragraph (Section 3B), then it shall constitute a breach. Purchaser failing to possess funds to qualify, failing to obtain a gift letter or funds if applicable, or receiving a loan denial due to a change in marital status, a change in job status, a change in the Debt Ratio status, lender's inability to verify or confirm any statements made by Purchaser on Purchaser's loan application, or filing for bankruptcy or similar relief, shall also constitute a breach. Purchaser telling Lender or Realtor they do not intend to close will also constitute a breach. PURCHASER(S) UNDERSTAND AND AGREE THAT SELLER MAY NOT ORDER PLANS, REQUEST CONSTRUCTION LOAN, OR START A PRESALE RESIDENCE UNTIL THEY RECEIVE THIS FIRM COMMITMENT WITH AN APPROPRIATE EXPIRATION DATE.

Purchaser initials: X

- 4. **APPRAISAL:** Purchaser to pay for any appraisal required by loan at time of loan application. PURCHASER(S) UNDERSTANDS THAT APPRAISAL IS FOR LOAN PURPOSES ONLY AND DOES NOT AFFECT OR CHANGE THE SALES PRICE.
- 5. **UTILITIES:** PURCHASER(S) MUST HAVE ALL UTILITIES TURNED ON IN THEIR NAME ON THE DATE OF CLOSING. Seller is not responsible for any damages caused by Seller terminating utilities after five (5) days from closing. If Purchaser fails to turn on the utilities in their name as required and Seller inadvertently continues to pay the utilities on the property beyond the date of closing, Purchaser will promptly pay Seller for the cost of utilities paid by Seller after closing. If Purchaser fails to pay Seller within thirty (30) days of Seller notifying Purchaser of the amount of utility reimbursement required, then Purchaser has breached this Agreement. If Seller incurs any costs to collect this required utility reimbursement, including, but not limited to, collection agency fees, attorney fees, court costs, etc. then these costs must also be reimbursed to Seller by Purchaser. The provisions of this Section 5 shall survive the closing.
- 6. **CLOSING OF LOAN AND SALE. CLOSING OF LOAN AND SALE IS TO BE SCHEDULED BY THE SELLER NO LATER THAN 48 HOURS AFTER COMPLETION OF RESIDENCE AND RECEIPT OF CERTIFICATE OF OCCUPANCY FROM THE COUNTY.** Closing is to be completed before 12:00 AM. Possession to be given to Purchaser after Deed has been issued in the name of Purchaser. It is understood and agreed, at Seller's sole option, the closing date may be extended for up to two (2), thirty (30) day periods from the above mentioned closing date. Purchasers to pay two hundred dollars (\$200.00) per day to cover construction loan interest, insurance, real estate taxes, maintenance, administrative fees and other costs, if loan is not ready to close, due to Purchaser's failure to comply with this Agreement. **Purchaser acknowledges that delivery of the Residence is approximate due to construction delays, inspections and weather and that any closing date quoted by anyone is an estimate only; and seller shall have no liability for damages resulting from failure to close at an estimated date beyond a refund of the Agreement Deposit Money and termination of the Agreement, at Seller's sole option.**

Purchaser Initials: X

- 7. **CLOSING AGENT (ATTORNEY / AND TITLE COMPANY):** As a condition to the above sales price, the closing will be held at 7518 Enterprise Ave, Germantown, TN 38138. The telephone number is 901-754-2080. Unless otherwise stated herein, the Closing Agent or Attorney and the Title Company chosen shall be Memphis Title Company, Inc. for both Purchaser and Seller and each are to pay for their own settlement agent fees.

Purchaser Initials: X

- 8. **LIMITED WARRANTY:** Seller agrees to provide a written One Year New Home Limited Warranty ("Warranty"). Purchaser and Seller agree to the terms and conditions of this warranty and agree that Seller's obligation with respect to warranties shall be strictly limited to the terms and conditions of said limited warranty. THE EXPRESSED LIMITED WARRANTIES CONTAINED HEREIN ARE IN LIEU OF ALL OTHER WARRANTIES, STATUTORY OR OTHERWISE, EXPRESSED OR IMPLIED, ALL OTHER OBLIGATIONS OR LIABILITIES WITH RESPECT TO SAID PROPERTY, INCLUDING ANY CLAIM FOR BREACH OF AGREEMENT OR ANY OTHER CAUSE OF ACTION, AND INCLUDING ANY WARRANTIES OF HABITABILITY, WORKMANLIKE CONSTRUCTION, DESIGN, CONDITION, QUALITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE AND LIMIT PURCHASER'S REMEDIES AND SELLER'S LIABILITIES. SELLER IS NOT LIABLE FOR ANY NEGLIGENCE OF SELLER'S SUBCONTRACTORS, SUPPLIERS OR VENDORS. IN NO EVENT SHALL SELLER'S OBLIGATION EXCEED ITS OBLIGATION SET FORTH IN SAID WARRANTY. IN NO EVENT SHALL SELLER BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL OR PUNITIVE DAMAGES.

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Seller Initials: X

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NEW HOME SALES AGREEMENT

Purchaser Initials: X

9. ARBITRATION CLAUSE:

A. It is mutually agreed that all disputes and controversies between the parties arising out of, or in connection with this Agreement as to the existence, construction, validity, interpretation or meaning, performances, non-performance, enforcement, operation, breach, continuance, or termination thereof any claim whatsoever, including, without limitation, alleged misrepresentation, unjust enrichment, fraud, negligence and violations of the Tennessee Consumer Protection Act shall be submitted to non-binding mediation in accordance with the rules and procedures of Resolute Systems, Inc. and by using the following procedure. Any warranty claims shall first be submitted to any dispute resolution procedure as set forth in the warranty program called for herein. Thereafter, either party may demand mediation by setting forth such claims in such detail as shall give the other party notice and by submitting the claim to mediation in accordance with the rules and procedures of Resolute Systems, Inc.

I. Within thirty days after the demand, the other party shall prepare a response to the allegations set forth in the statement setting forth such matters the other party considers pertinent.

II. Each party shall bear (his, hers or its) own mediation costs and expenses and shall equally bear the cost of the mediation

Purchaser Initials: X Seller Initials: X

B. If the parties are unable to settle or resolve the dispute or controversy by mediation, the claim shall be submitted to binding arbitration in accordance with the rules and procedures of Resolute Solutions, Inc. In which event the decision of the arbitrator shall be final and binding upon both Parties and may be entered in any court having jurisdiction. Demand for arbitration shall be made in writing with the other party to the claim and with the arbitrator. A demand for arbitration shall be made within a reasonable time after the claim; dispute or other matter in question has arisen, but in no event later than the date for the institution of legal proceedings based upon the law of the state where the property is located. The cost of the arbitrator shall be paid by the non-prevailing party or as determined by the arbitrator.

Purchaser Initials: X Seller Initials: X

C. The parties stipulate that the provisions of this Agreement shall be a complete defense to any suit, action, or proceeding instituted in any federal, state, or local court or before any administrative tribunal with respect to any controversy or dispute arising during the period of this Agreement. The mediation and arbitration provisions shall, with respect to the controversy or dispute, survive the termination or expiration of this Agreement.

Purchaser Initials: X Seller Initials: X

D. Said Warranty provides for final and binding arbitration regarding any controversy, claim or complaint arising under said Warranty, which is not resolved by mutual agreement between the Purchaser and Seller. **Purchaser's sole remedy for any such unresolved Warranty matter is the final and binding arbitration stated herein, the right to sue the Seller in court being expressly waived.**

Purchaser Initials: X Seller Initials: X

10. **FINAL SURVEY:** Final Survey will be provided by Seller, **only if required by Purchaser's Lender**, and shall be paid by Purchaser at time of closing.

11. **BROKERAGE:** Seller agrees to pay at closing, any fee specified by agreement and signed by Seller. Purchaser acknowledges that Seller is not to be responsible for any other brokerage fees. Any administrative fees or other brokerage of Purchaser must be by signed and dated before this Agreement is signed by Purchaser and disclosed to Seller, in writing, before this Agreement is Ratified by Seller.

12. **TITLE RESTRICTIONS:** Title is to be conveyed subject to all restrictions, easements and covenants of record, including any covenant or condition of approval of recorded plats that apply to subdivision, applicable zoning laws, and taxes coming due after closing. If applicable to the property, the Purchaser acknowledges that he/she/they have been given the opportunity to read all Homeowner Association documents that are in existence and known to Seller at the time Agreement is signed by Purchaser.

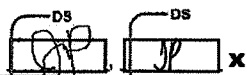
13. **SETTLEMENT WITH VALID TITLE:** Settlement and payment of any balance in cash shall be made upon presentation of a good and valid warranty deed or other proper means of conveyance with the usual covenants and conveying a good and merchantable title, after allowing reasonable time for examination of title. At Purchaser's election, Seller agrees promptly to furnish for examination only, either title search or adequate abstracts of title, taxes and judgments covering property or, at Seller's option, a policy of title insurance for the amount of the above purchase price, insuring marketability of title and paid for by Seller. Adequate abstracts of title, taxes and judgments are those required by a title insurance agency as the basis for the issuance of a title insurance policy. In the event of controversy regarding title, a title insurance policy covering property for the above purchase price shall constitute and be accepted by Purchaser as conclusive evidence of good and merchantable title. In each case, the title insurance agency must be one with a local office.

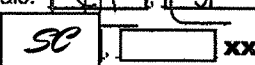
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NEW HOME SALES AGREEMENT

14. **FAILURE TO CLOSE:** If the title is good and merchantable and Purchaser shall fail to pay for the Residence as specified herein, then it shall constitute a breach. The Purchaser canceling the closing, refusing to close after a clear final inspection and acceptance by mortgagee, or applicable Code Enforcement Department, failing to possess funds to close, or failing to obtain the required signatures to close, or failing to satisfy the conditions set forth in loan application or loan commitment paragraph, or notification that Purchaser does not intend to close, shall constitute a breach. If the Seller cannot convey a good and merchantable title, or should the Seller fail to close, the Purchaser shall be limited to the remedies as stated in breach by seller. (Section 30)
15. **COMPLETION AND INSPECTION:**
- A. **INSPECTION BY PURCHASER:** Purchaser agrees that the direction and supervision of the workers at the Residence, including subcontractors, rests exclusively with Seller, and Purchaser agrees not to issue any instruction to or otherwise interfere with such workers. Purchaser further agrees not to contract with Seller's subcontractors or to engage other builders or subcontractors for any work on or about the Residence except after closing.
- Purchaser shall at a designated time set prior to Closing Date, completely inspect the Residence with Seller or Seller's Agent. Purchaser and Seller shall agree and prepare a list in writing ("Walk Thru List"), with those items that will be repaired or completed by Seller within a reasonable time before or after Closing Date, and upon execution of said Walk Thru List, Purchaser will have accepted the Residence and acknowledged that the Residence was constructed pursuant to this Agreement except as set out in said Walk Thru List when closing of the loan and sale has occurred.
- B. **COMPLETION:** It is understood and agreed between parties that Seller shall be deemed to have performed this Agreement as to construction of the Residence hereinabove described when it shall have obtained the final inspection from applicable Code Enforcement Department. Purchaser agrees to immediately close said loan and complete the purchase of the above described Residence within forty-eight (48) hours of being notified, or at a time designated by Seller, if later. Possession shall be given to Purchaser immediately after closing. Seller shall not be held responsible for any delay in construction of the Residence by the act, neglect, failure or default of subcontractors, workers, or suppliers; by alterations, changes or additions to the Residence, public laws, or act of public officials, strikes, lock-outs, weather conditions, acts of war, inability to obtain materials, or by any cause beyond Seller's control. Seller reserves the exclusive right to substitute for any selections by Purchaser that have not been submitted by Purchaser and approved by Seller within ten (10) days of the start of construction or cannot be delivered as required. Purchaser agrees that construction and completion of said Residence shall not be delayed to wait for Purchaser's selections, if any. Should construction of the house plan herein be started and in the event selections have been made, Purchaser agrees to accept said house plan, it's location on the Property, elevation and finish of the Residence and all selections chosen by it or others.
16. **PRORATIONS AND TAXES:** All taxes and applicable assessments shall be prorated as of closing. All pro-rations shall be based upon the last known assessment, and if no lot assessment is available, then there shall be no pro-rations. Seller shall not be responsible for any supplemental taxes which may be assessed after closing or any tax liabilities after closing.
17. **CLOSING COSTS.** Purchaser and Seller are to pay their own Settlement Agent fees and Closing costs.
18. **PURCHASER'S COSTS:** Purchaser to pay for the preparation of note or notes, trust deed, purchase money trust deed, if any, notary fee on trust deed or deeds, recording of the deed of conveyance, and if one is used, recording of the purchase money trust deed, state transfer taxes and Register's fee on all deeds; expense of title examination and title insurance, and all other legally chargeable loan expenses incident thereto, including, but not limited to loan impound account pro-rations or initial required deposits to the impound account, if any.
19. **SELLER'S COSTS:** Seller is to pay for preparation of warranty deed, or deed of conveyance, notary fee on deed, and title search or abstract.

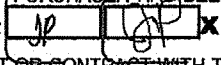
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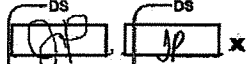
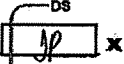
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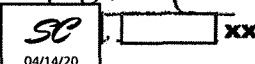
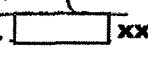
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NEW HOME SALES AGREEMENT

20. **OPTIONS, CHANGES AND ADDITIONS:** Purchaser will likely need to meet with Seller's Design Studio staff to make selections, choose options, request changes or additions for their house. This appointment is extremely important to the building process and must timely proceed to properly complete the Purchaser's house. Appointments at the Design Studio are scheduled in advance and require Purchaser's attendance since written contract changes will be made during or at the conclusion of the appointment. All Purchaser selections of options, changes, and/or additions must be complete in the manner prescribed by Seller within Three (3) Weeks of the date the Agreement is first ratified by Seller. Failure of Purchaser to complete all selections within the aforementioned period permits Seller, exclusively at Seller's option, to cancel this Agreement without any obligation to Purchaser, nor liability to Seller from Purchaser. Seller's failure to cancel this Agreement will not be deemed to be a waiver of the Seller's right to cancel under this provision. Options, changes and/or additions must be agreed upon by both Purchaser and Seller, in writing, and become part of this Agreement. There are no options, changes or additions to plans or specifications unless included in writing with this Agreement. Purchaser understands that changes, if any, are to be requested in writing on a form prescribed by the Seller together with a non-refundable and non-creditable change order fee of Five Hundred Dollars (\$500.00) for each requested change order after the first Design Studio appointment for the initial Purchaser selections. Seller will review any requested change order and submit a proposed estimate of cost. The Purchaser and Seller understand that no change order will be completed by Seller until agreed in writing by all parties and the change order fee and any required additional deposit is fully paid by Purchaser. Additionally, any changes made by the Purchaser that requires a plan revision will also result in a charge to the Purchaser for the cost of the plan revision plus Five Hundred Dollars (\$500.00). If Purchaser fails to attend a scheduled appointment, without providing notice to Seller more than two (2) business days before their appointment, Purchaser agrees to a non-refundable and non-creditable charge of Two Hundred Fifty Dollars (\$250.00) to be included in the final price of the Design Studio amendments. In the event Purchaser fails to close the sale for any reason, Seller shall retain all funds paid for said options, changes and/or additions without reimbursement to Purchaser. **PURCHASER HAS BEEN ADVISED THAT THIS MAY RESULT IN FINANCIAL LOSS TO PURCHASER.**
- Purchaser initials: 
21. **LENDER FEES:** THE SELLER HAS NO AGREEMENT OR CONTRACT WITH THE LENDING INSTITUTION PROVIDING LOAN TO PURCHASER AND WILL PAY NO FEES TO THE LENDER EXCEPT THOSE SPECIFICALLY MENTIONED IN THIS AGREEMENT, IF ANY. **PURCHASER, NOR SELLER ON PURCHASER'S BEHALF, WILL PAY ANY FEES THAT ARE NOT ALLOWABLE BY THE FEDERAL HOUSING ADMINISTRATION ("FHA") OR OTHER GOVERNMENT AGENCY.**
22. **TERMITE PROVISION:** Seller agrees to furnish, at closing, a soil treatment guarantee from a licensed and bonded termite control operator as may be required by the Lender.
23. **RISK OF LOSS:** It is understood and agreed between Seller and Purchaser that the risk of loss by fire or otherwise of the improvements located on Residence shall remain with Seller and shall only pass to Purchaser at closing of the transaction; and further, that in the event of destruction by fire or otherwise, Seller's liability shall in no event be more than the appraised value of the improvements so destroyed.
24. **COSTS AND ATTORNEYS FEES:** Should any party to this Agreement bring an action against any other party to this Agreement to enforce closing of the transaction to change ownership and possession of the Residence, then the prevailing party or parties shall be entitled to recover all costs of said action and reasonable attorney fees. For the purpose of this provision, a party is defined as and includes the Purchaser, Seller, Real Estate Broker(s) and participating Agents. The term prevailing party as used in this Section shall be defined as the party or parties to whose favor an arbitration or court shall rule for or against whom no relief is granted.
25. **GRADE OF LAND:** Purchaser agrees that Seller has made no representations regarding the final grade of the lot after the completion of construction of the Residence, and Purchaser recognizes that the final grade and configuration of the Residence on the lot shall be dictated by the Seller's construction practices and may vary substantially from that of any model home or lot viewed by Purchaser. Seller shall grade the lot to satisfy any inspecting agencies. Any alteration to the swales or grade by Purchaser during the warranty period shall void limited warranty coverage, if any, of the grade, landscaping, sod and foundation. Additionally, Seller may require entry upon Purchaser's lot to complete construction on adjacent lots. Purchaser grants permission to Seller to enter or temporarily encroach upon Purchaser's lot for the sole purpose of completing construction on any immediately adjacent lots. Purchaser agrees to allow said entry or temporary encroachment upon Purchaser's lot without charge to Seller or any other obligation of Seller, except that Seller will repair any damages caused by Seller's construction work where such damage is located on Purchaser's lot. Seller is not responsible for damage to any of Purchaser's landscaping, fencing or other Purchaser's improvements that are actually located on a lot owned by Seller.
26. **AMENITIES AND COMMON AREAS:** Purchaser understands that Seller is not the developer, but rather only purchases finished lots and Seller is not affiliated or responsible for any actions of any developer or actions taken by, or assessments made by, any current or future homeowner's association. Purchaser agrees that no representation or warranties have been made regarding the completion, maintenance, or fitness of use of these amenities and/or common areas, if applicable. Purchaser accepts such disclaimer and agrees to waive any and all rights they may have from Seller to any controversy concerning the above.

Purchaser Initials:  

Seller Initials:  

012020 



NEW HOME SALES AGREEMENT

27. **NURSERY STOCK AND NATURAL TREES:** Nursery stock (including sod/seed) installed by the Seller shall be healthy and alive (or in a seasonal dormant state) on the date of closing. The type and amount of nursery stock and sod/seed will be dictated by Seller's construction practices and allowances and may vary from that of any model or market home viewed by Purchaser. The placement by the Seller of sod or other landscaping does not necessarily indicate the actual property line; Purchaser must refer to their site plan to determine actual lot boundaries. Purchaser is advised that Seller only provides a "starter type" nursery stock and sod/seed. No representation is made by the Seller as to the establishment or maturity of said nursery stock, sod/seed as Purchaser shall be required to care for and maintain the before mentioned to obtain a naturally mature/established yard.

It is specifically stipulated that natural trees or other natural growth will be excluded from any warranty. Removal of damaged or unhealthy natural growth shall only be determined and performed by the Seller prior to closing or by written agreement between Seller and Purchaser at pre-closing inspection.

28. **GOVERNING LAW:** Tennessee law governs this Agreement. The parties agree to submit themselves to the jurisdiction of the Courts of the State of Tennessee and agree that Shelby County shall be proper venue.

29. **BREACH BY PURCHASER:** If this Agreement is breached by Purchaser or if the Purchaser fails for any reason to complete the purchase of Residence, in accordance with the terms and conditions set forth herein, Seller shall have the following remedies. Seller shall be excused from further performance and may sell the property to a third party without in any way limiting Seller's other remedies set forth below. Seller may declare this Agreement terminated and Deposit Money, plus any non-refundable funds shall be retained by Seller to be applied to actual damages sustained by Seller. Deposit Money, non-refundable funds, or other damages paid to the Seller, shall not in any way prejudice the rights of Seller in any action for damages or specific performance, or both. Purchaser shall be obligated to pay all costs or losses which Seller may sustain, including, but not limited to, lost profit, excess construction loan interest and costs, proportionate real estate taxes, insurance, any other costs related to the delayed closing, court costs and expenses of litigation, including reasonable attorney's fees. Purchaser shall also be obligated to pay all sales commissions that are due.

30. **BREACH BY SELLER:** If this Agreement is breached by Seller, Purchaser may terminate this Agreement by written notice to Seller and receive a refund of the Deposit Money as Purchaser's sole remedy. Purchaser hereby waives the right to any and all damages or specific performance, or both from the Seller.

31. **NOTICE TO PURCHASER:** Any notice to Purchaser shall be effective when received by Purchaser or received by the Selling Real Estate Company.

32. **FACSIMILE, EMAIL AND ELECTRONIC SIGNATURES:** Facsimile, email and electronic signatures shall be deemed valid on all documents related to this Agreement.

33. **ACCEPTANCE:** If Seller accepts this proposal in writing, this instrument shall become a ("Ratified") Agreement between the Purchaser and Seller. A copy of this document may be executed by each party, separately, and when each party has executed a copy thereof, such copies taken together shall be deemed a full and complete Agreement between the parties.

34. **A. SURFACE WATER:** The amount of surface water traversing a lot is subject to the intensity and duration of rainfall and other factors beyond the control of Seller, and will vary according to terrain and location. The Seller makes no representation or warranty concerning the amount of surface water that will traverse the lot during periods of peak water inundation, and Seller shall not be responsible or liable for any claims of any kind or character resulting from said inundation, except to meet the requirements of applicable Code Enforcement Department and/or as set forth in written warranty provided PURCHASER at closing.

Purchaser Initials: X

B. SUBSURFACE CONDITIONS: The subsurface conditions present may vary in accordance with underground conditions including and without limitation; the prior uses of the property, the surface and subsurface soil types, the subsurface movement of water and the other geological conditions present. Seller makes no representation or warranty concerning these conditions and the results of such conditions, and expressly disclaims any responsibility or liability for subsurface conditions of the property. Purchaser Initials: X

C. FILL AND SOIL CONDITIONS: This property may have had soil or fill brought onto the property for spread upon the property. The Seller makes no representation or warranties upon the condition, existence or amount of this fill and expressly disclaims any responsibility or liabilities for same.

Purchaser Initials: X

Purchaser Initials: X
Seller Initials: X
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NEW HOME SALES AGREEMENT

D. MOLD NOTICE, DISCLOSURE AND DISCLAIMER: Mold growth requires moisture. Moisture is the only mold growth factor that can be controlled in a residential setting. By minimizing moisture, a homeowner can reduce or eliminate mold growth. All molds are not necessarily harmful, but certain strains of mold have been shown to have adverse health effects in susceptible persons. Whether or not you as a homeowner experience mold growth depends largely on how you manage and maintain your property and Residence. Seller's responsibility as a homebuilder is limited to things that Seller can control. As explained in Seller's written Warranty, provided by separate instrument, Seller will repair or replace defects in construction (defects defined as a failure to comply with reasonable standards of residential construction) for a period of one year. Seller will not be responsible for any damages caused by mold, or by some other agent, that may be associated with defects in Seller's construction, to include, but not be limited to property damage, personal injury, loss of income, emotional distress, death, loss of use, loss of value, and adverse health effects, or any other effects. Any implied warranties, including an implied warranty of workmanlike construction, an implied warranty of habitability, or an implied warranty of fitness for a particular use, are hereby waived and disclaimed. This notice, disclosure and disclaimer agreement is hereby appended to and made a part of the Agreement and shall survive the closing.

Purchaser Initials: x

- 35. **DISPARAGEMENT:** Purchaser and Seller covenant and agree that neither party will engage in any pattern of conduct that involves the making or publishing of written or oral statements or remarks (including, without limitation, the repetition or distribution of derogatory rumors, allegations, negative reports or comments) which are disparaging, deleterious or damaging to the integrity, reputation or good will of the Purchaser or Seller, their respective members, owners, officers, employees, and/or agents of their respective products or services. Purchaser and Seller understand that any violation of this Section shall result in a breach of the Agreement, and the non-breaching party shall have the option to pursue all remedies available to it under this Agreement. This section shall survive the Agreement
- 36. **DISPUTES:** Notwithstanding any of the above, in the event that a bona fide dispute should arise between Purchaser and Seller, before the consummation of this Agreement, and if such bona fide dispute cannot in good faith be resolved completely and to the satisfaction of both parties within ten (10) days after such dispute has arisen, then Seller shall have the right upon written notice to Purchaser, to terminate this Agreement and return to Purchaser all monies tendered herewith including Deposit Money excluding costs of options, upgrades, equipment and appliances ordered through the Design Studio and overages on allowances, if any.
- 37. **BLUEPRINTS:** Purchaser is aware and agrees that Seller does not provide a set of blueprints to Purchaser at any time. Purchaser understands that all published square footage and other measurements are deemed reliable but not guaranteed.
- 38. **ENTIRE AGREEMENT:** PURCHASER REPRESENTS THAT HE/SHE HAS READ THIS AGREEMENT AND THAT THIS AGREEMENT CONSTITUTES THE ENTIRE UNDERSTANDING BETWEEN SELLER AND PURCHASER AND THAT NO OTHER UNDERSTANDINGS, PROMISES, REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, EXCEPT THOSE EXPRESSLY SET FORTH HEREIN, HAVE BEEN RELIED UPON BY PURCHASER OR HAVE BEEN MADE BY SELLER OR ITS SALESPERSONS, AGENTS, OR EMPLOYEES TO PURCHASER AND THAT NO MODIFICATION OF THIS AGREEMENT SHALL BE CLAIMED BY PURCHASER SUBSEQUENT TO EXECUTION HEREOF UNLESS FIRST REDUCED TO WRITING AND EXECUTED BY THE PARTIES HERETO. A RETURN OF PURCHASER'S DEPOSIT BY SELLER AT ANY TIME BEFORE ACCEPTANCE OF THIS AGREEMENT BY SELLER SHALL CONSTITUTE A REJECTION OF PURCHASER'S OFFER BY SELLER, WHEREUPON THIS AGREEMENT SHALL BECOME NULL AND VOID. PURCHASER UNDERSTANDS AND AGREES THAT THE SALES REPRESENTATIVE WITH WHOM PURCHASER HAS DEALT IN CONNECTION WITH THIS PURCHASE HAS NO AUTHORITY TO AGREE TO CHANGES OR MODIFICATIONS IN THE PLANS OR SPECIFICATIONS OR TO MAKE REPRESENTATIONS OR AGREEMENTS WITH PURCHASER NOT EXPRESSLY CONTAINED HEREIN OR IN WRITING SIGNED BY SELLER IN ACCORDANCE WITH THE TERMS OF THIS AGREEMENT. THE TERMS AND CONDITIONS SET FORTH ON THE AGREEMENT DOCUMENTS AND ALL ADDENDA HERETO ARE EXPRESSLY INCORPORATED INTO THIS AGREEMENT AND ARE A MATERIAL AND INTEGRAL PART THEREOF.
- 39. **SEVERABILITY:** The invalidity, illegality, or unenforceability of any provision in this Agreement shall not render the other provisions invalid, illegal, or unenforceable.
- 40. **CREDIT CARDS:** Purchaser agrees not to use credit cards or buy any expensive items that are not paid off within 30 days of being charged until this sale closes. Failure to adhere to this provision shall be deemed a breach of this Agreement.
- 41. **ADDITIONAL ADDENDUMS/PROVISIONS:** (See the following addendums attached hereto and made a part hereof to this Agreement) List all addendums)

Purchaser Initials: x

Seller Initials: x
012020
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dotloop verified



NEW HOME SALES AGREEMENT

a.

[Empty rectangular box for signature or notes]

b. *The New Home Order, when fully executed by the Purchaser and Seller, is incorporated herein by reference and becomes part of this Agreement.*

42. Lender: Bank of Bartlett Loan Officer: Chao Lin
Email: clin@bankofbartlett.com Fax: _____ Cell: 901 315 7441

43. Making loan application denotes understanding and acceptance of loan.

44. PURCHASERS CERTIFY THEY DO NOT OWN A HOME WITH A FIRST MORTGAGE THAT MUST BE PAID OFF TO QUALIFY FOR THIS LOAN. This Agreement is not on the signature of any home or any other real estate.

Purchaser Initials: on the signature of

45. If this offer becomes a ratified agreement, any prior understandings, contracts or agreements between the parties, that have not been Ratified, will become null and void.

46. A return of Purchaser's deposit money by Seller to the Purchaser or Purchaser's agent at any time before acceptance and signing of this offer by Seller shall constitute a rejection of Purchaser's offer by the Seller; whereupon this Offer will become Null and Void.

Purchaser Initials:
Seller Initials:



NEW HOME SALES AGREEMENT

X DocuSigned by:
PURCHASER Josefa Pereira
 2FE9269186324BF...
Email address: pereira15@hotmail.com
 Address: _____
 Home Phone: (206 406 5033) Work Phone: (_____)
 Cell Phone: (_____)

X DocuSigned by:
PURCHASER Julie Delgado
 4ADC6B4BA...
Email address: juliedelgado816@gmail.com
 Address: _____
 Home Phone: (425 280 7310) Work Phone: (_____)
 Cell Phone: (_____)

RATIFIED AGREEMENT DATE:
04/13/2020
Final and accepted Agreement between Seller and Purchaser

Regency Homebuilders, LLC

Sean Carlson dotloop verified
 04/14/20 10:06 AM CDT
 X9KD-DKRS-GGJP-PKUE
 Title _____

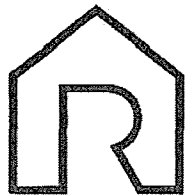
Regency Realty, LLC:

BY: **XXX** Amanda Hamilton dotloop verified
 03/03/20 5:53 PM CST
 98KW-LWIS-DPCI-FMWS DATE: 03/03/2020
 Facilitator/Transaction Broker
 Cell # 901 481 8249 email address: amanda.hamilton@regency-realty.com

CO-OP REALTOR FIRM: Kaizen

BY: **XXXX** DocuSigned by:
Meleah Thurmond-Edwards DATE: 03/05/2020
 Buyer's Agent 7099A929A3E948D...
 Cell # 901.246.9755 Email address: meleah@thurmondedwards.com

Purchaser Initials: JP JD **X**
 Seller Initials: SC _____ **XX**
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CUT OFF PHASES

AFTER 1ST DESIGN APPOINTMENT – CAN'T CHANGE...

- Plumbing
 - o Plumbing Openings
 - o Zero Entry Showers
 - o Tubs (type, adding jets, etc.)
 - o Sinks, Water Lines, Gas Lines, etc.
- Any Structural Change
- Exterior Doors/Pocket Doors
- Exterior Door Hardware
- Windows
- Roofing
- Louvers
- Brick/Stone/Exterior Trim
 - o Siding, Cornice
 - o Smart Trim, etc.
- Fireplace (interior)
 - o Type, Location
- Nail Down Hardwood
- Green Features
- HVAC
 - o Can change until pre-construction meeting in case the builder recommends anything different
- Floor Outlets
- Heated Tile
- Cabinets
- Cabinet Hardware

AFTER FRAMING – CAN'T CHANGE...

- Plumbing Fixtures
-

- Appliances
- Trim Color (exterior)
- Electrical/Adding New Lighting
- Low Voltage
- Additional Flatwork

AFTER PRE SHEETROCK MEETING — CAN'T CHANGE...

- Drywall
- Insulation
- Granite
- Trim
- Paint
- Mirrors
- Shower Glass
- Wrought Iron Railing
- Hardware (interior doors)
- Hardwood
- Tile
- Carpet
- Light Fixtures (for existing fixtures)
 - o If there is already wiring (cannot move location)
- Garage Door
- Gutters
- Shelving

UP UNTIL 3 WEEKS BEFORE CLOSING — CAN CHANGE

- Blinds
- Fencing
- Refrigerators
- Washer and Dryer
- Range (if applicable)

I/We, the purchaser, have reviewed the previous pages of this document and understand what changes and/or additions can be made to my home at a specified time. Any change or addition will have a fee and payment will be due at the time of change. (Please refer to Selection Sheet for applicable fees). All information is subject to change without notice.

DocuSigned by:



3/8/2020 | 12:43 PM CDT

Purchaser's Signature:

Joseph Pereira
2FE92691883248F...

Date: 03/03/2020

Agent's Signature:

Amanda Hamilton

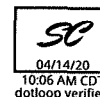
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Date: 03/03/2020

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REGENCY HOMEBUILDERS

PRICE LIST — WINSTEAD FARMS



Stonebridge	3550	\$487,900	Winston	3106	\$442,900
Elevation "B"		\$4,900	Optional Outdoor Living		\$5,900
Elevation "C"		\$10,900	Optional Outdoor Wood Burning Fireplace		\$3,450
Optional Outdoor Living		\$5,400	Optional Outdoor Ventless Gas Fireplace		\$4,100
Optional Outdoor Wood Burning Fireplace		\$3,450	Optional Master Bath		\$1,900
Optional Outdoor Ventless Gas Fireplace		\$4,100	Optional Media Room		\$10,900
Optional 3' Extension to Breakfast Room		\$2,900			
Optional Master Bath with Walk Thru Shower		\$6,400			
Optional Bath #4		\$7,150	Landry	3054	\$438,900
Optional 3 Car Garage & Expanded Rec Room		\$19,900	Optional Outdoor Living		\$5,450
Optional Friends Entry		\$1,900	Optional Outdoor Wood Burning Fireplace		\$3,450
			Optional Outdoor Ventless Gas Fireplace		\$4,100
Innisbrook	3478	\$479,900	Optional 4' Extension to Great Room		\$5,900
Elevation "B"		\$4,500	Optional 4' Extension to Great Room and Outdoor Living		\$6,900
Elevation "C"		\$10,900	Optional Sitting Area		\$3,900
Optional Outdoor Living		\$5,900	Optional Master Bath		\$1,900
Optional Outdoor Wood Burning Fireplace		\$3,450	Optional Office		\$1,800
Optional Outdoor Ventless Gas Fireplace		\$4,100	Optional Media Room		\$11,900
Optional Expanded Hearth Room		\$4,900	Optional 3 Car Garage & Extended Media Room		\$19,900
Optional Master Bath		\$1,900	Optional Laundry Sink		\$1,150
Optional Bedroom #5 & Bath #4		\$16,900			
Optional Rec Room Dormer		\$4,900	Abbington	2996	\$427,900
Optional 3 Car Garage & Expanded Rec Room		\$19,900	Optional Outdoor Living		\$5,450
Optional Laundry Sink		\$1,150	Optional Outdoor Wood Burning Fireplace		\$3,450
			Optional Outdoor Ventless Gas Fireplace		\$4,100
Winstead	3396	\$467,900	Optional 3' Extension in Breakfast Room		\$2,800
Elevation "B"		\$8,900	Optional Sitting Area		\$2,950
Elevation "C"		\$5,900	Optional Master Bath		\$500
Optional Outdoor Living		\$5,900			
Optional Outdoor Wood Burning Fireplace		\$3,450	Lynwood	2949	\$422,900
Optional Outdoor Ventless Gas Fireplace		\$4,100	Optional Outdoor Living		\$5,450
Optional 4' Extension to Hearth Room		\$4,900	Optional Outdoor Wood Burning Fireplace		\$3,450
Optional 4' Extension to Hearth Room & Outdoor Living		\$5,900	Optional Outdoor Ventless Gas Fireplace		\$4,100
Optional 2' Addition to Bedroom #2		\$2,200	Optional Bay Window		\$2,450
Optional 3 Car Garage & Expanded Rec Room		\$19,900	Optional Great Room Fireplace Location		\$250
			Optional Flex Space/Office		\$600
Abbott	3275	\$457,900			
Optional Outdoor Living		\$5,450	Westminster II	2864	\$412,900
Optional Outdoor Wood Burning Fireplace		\$3,450	Elevation "B"		\$2,900
Optional Outdoor Ventless Gas Fireplace		\$4,100	Elevation "C"		\$3,900
Optional Extended Vaulted Morning Room with Beams		\$6,900	Elevation "D"		\$4,900
Optional Master Bath		\$6,900	Optional Outdoor Living		\$5,900
Optional Bedroom #3		\$250	Optional Outdoor Wood Burning Fireplace		\$3,450
			Optional Outdoor Ventless Gas Fireplace		\$4,100
Carrington	3183	\$447,900	Optional Breakfast Room Extension		\$2,900
Optional Outdoor Living		\$6,400	Optional 4' Hearth Room Extension		\$5,900
Optional Outdoor Wood Burning Fireplace		\$3,450	Optional 4' Hearth Room & Outdoor Living Extension		\$7,400
Optional Outdoor Ventless Gas Fireplace		\$4,100	Optional Master Bath		\$6,900
Optional Indoor Fireplace Location		\$250	Optional 3 Car Garage		\$15,900
Optional 3' Bump Out to Bedroom #3		\$2,800	Optional 3 Car Garage & Extended Bonus Room		\$19,900
Optional Office		\$600			
Optional Master Bath		\$1,900			
Optional Bedroom #6		\$10,900			

Side Load Garages Standard. Signature Features. 01/30/20

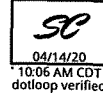
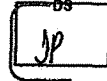
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REGENCY HOMEBUILDERS

CARRINGTON- 3183

3183 HEATED SQ FT / 3732 TOTAL SQ FT



* Finials, collector heads, cedar headers & decorative vents may be optional per community. 11/20/18

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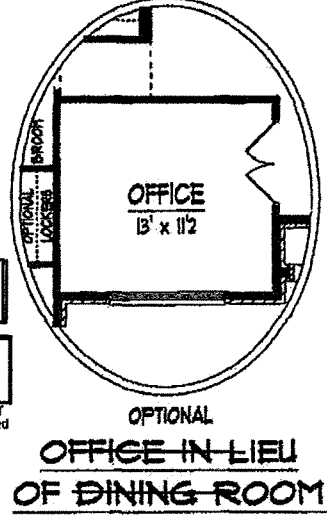
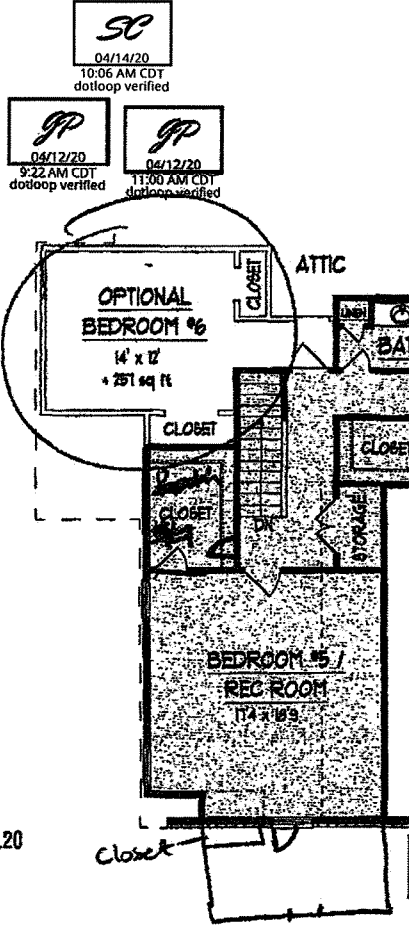
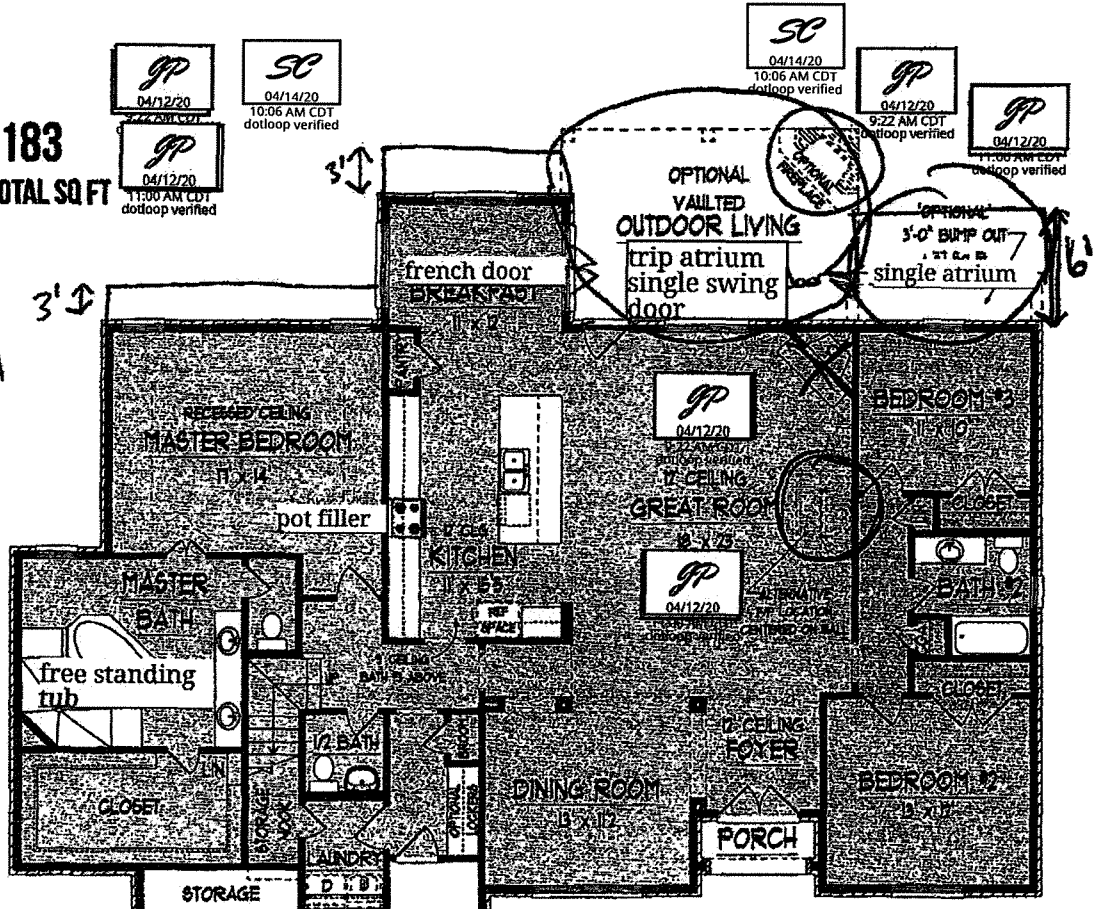
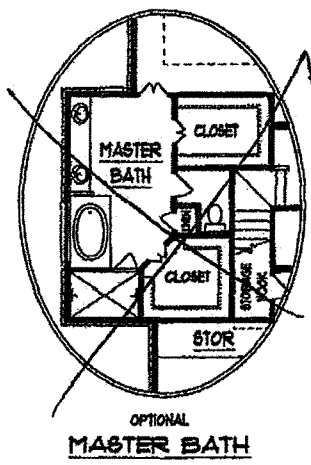
REGENCY HOMEBUILDERS
NewRegencyHomes.com

3420 South Houston Levee Rd
Germantown, TN 38139

© 2020 Regency Homebuilders. All Rights Reserved. Artist's concept may vary from actual construction. All information deemed reliable but not guaranteed. Plans, prices, and features are subject to change without notice.

CARRINGTON- 3183

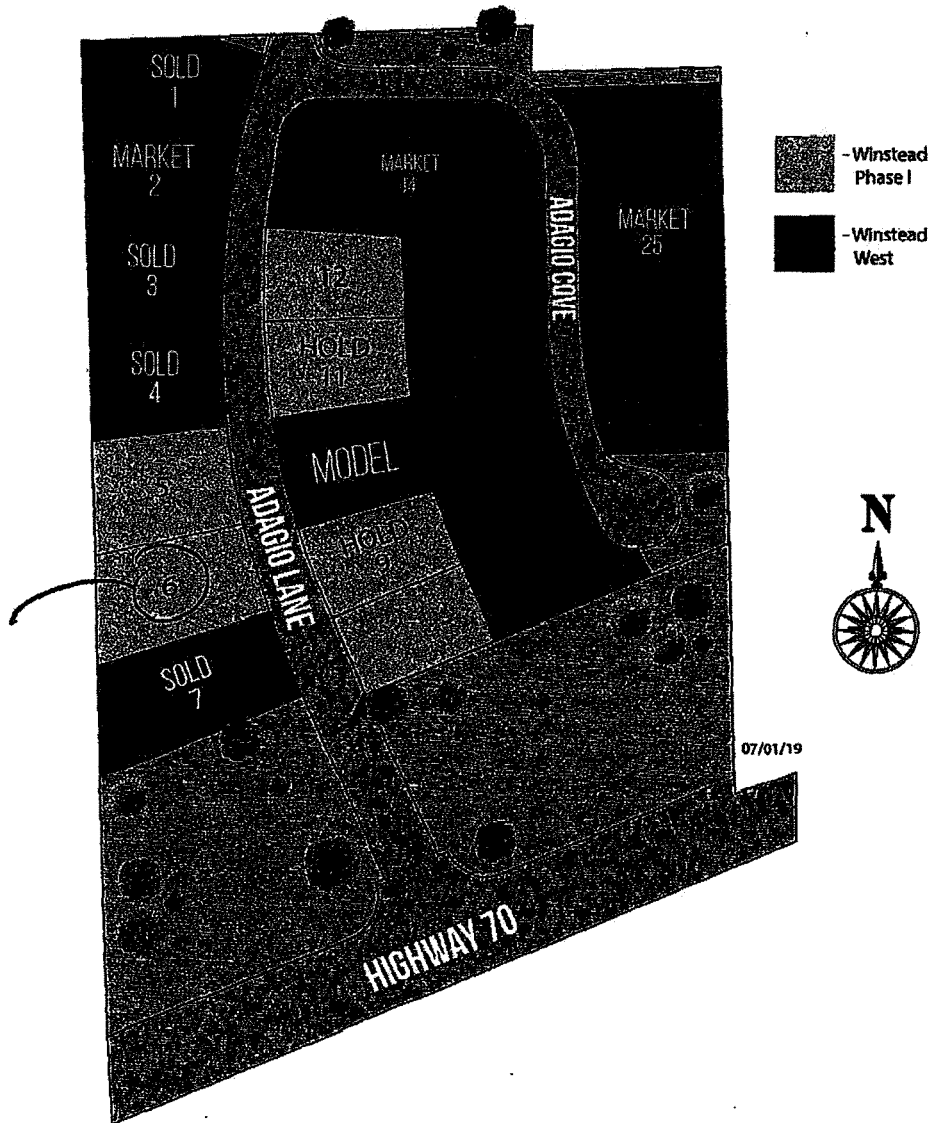
3183 HEATED SQ FT / 3732 TOTAL SQ FT



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SITE MAP — WINSTEAD FARMS



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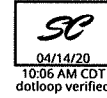
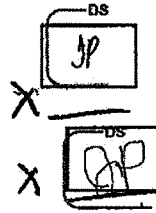
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LOT PREMIUMS — WINSTEAD FARMS

- 2 — \$0
- 5 — \$2,500
- 6 — \$2,500
- 9 — \$0 HOLD
- 10 — MODEL
- 11 — \$2,500 HOLD
- 12 — \$0

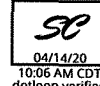
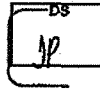


01/13/20

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SIGNATURE FEATURES



Exterior Features

- 8 foot ThermaTru Fiber-Classic® (no rot) stained front door(s) with limited lifetime warranty or solid wood mahogany front door(s)
- Two car garage with carriage style doors, garage door opener with two remotes, and wall mounted key pad
- Owens Corning® architectural roof shingles with 30 year manufacturer's limited warranty
- 100% James Hardie masonry exterior trim and siding with 30 year manufacturer's limited warranty
- Complete DuPont Tyvek® energy efficient home wrap system with 10 year limited warranty to ensure protection from the elements
- DuPont Tyvek® Protec protective roofing underlayment with 30 year limited warranty and Class A fire rating
- Brick on front elevation and three sides, per plan and builder's specs
- Professional landscaping with sod and/or seeded yards
- Mailbox with wrought iron stand
- Gutters and downspouts on all eaves of home (per plan)
- Front and rear weatherproof GFI outlets
- Concrete patio(s), walks and driveway (per subdivision standards)

Interior Features

- 9 foot ceilings on first floor (per plan)
- Vaulted, coffered, and/or tray ceilings throughout (per plan)
- Oil rubbed bronze or brushed nickel door hardware
- Smooth two panel interior doors
- 8 foot interior doors downstairs
- 3^{1/4} inch door & window trim downstairs, and 2^{1/4} inch upstairs
- 4^{1/4} inch crown molding in entry, formal dining, and hearth/great room
- 4^{1/4} inch base molding downstairs, and 3^{1/4} inch upstairs
- Wrought iron railing on stairs and balcony per plan
- Complete security system finished with keypad
- Pre-wired for 6 cable and/or phone outlets
- Designer lighting package in choice of oil rubbed bronze or satin nickel finish
- Oil rubbed bronze or satin nickel ceiling fans in great/hearth room(s), and master bedroom
- Blocked and wired for future fan in secondary bedrooms
- 36 inch ventless fireplace with custom wood mantel, tile surround, and gas logs
- Large closets with durable ventilated shelving
- Pre-finished oak hardwood flooring in entry, dining area, great/hearth room(s), morning/breakfast room, kitchen, and downstairs hallways (per plan)
- Stain-resistant carpet with high density pad in remaining areas
- Entry stairs with stained oak treads to landing, backstairs carpet
- Tile floors run diagonally in laundry room
- Squared openings (per plan)
- Smooth walls and ceilings throughout
- Rounded bullnose corners throughout
- Designer style cabinets with large crown molding in laundry room (per plan)
- Walk-in attic spaces with flooring and ventilation (per plan)

Kitchen Features

- GE® Stainless steel appliances including: electric range with self-cleaning oven, quiet wash dishwasher with electronic controls, over the range built-in microwave, and 1/2 horsepower disposal
- Designer style cabinets with large crown molding
- 3 cm granite countertops
- Oil rubbed bronze or satin nickel Moen® pull out faucet
- Stainless steel undermount sink

Bath Features

- Drop-in tub with hydra-jets and tile surround in master bath
- Raised height vanities with undermount sinks
- Pedestal sink in powder room (per plan)
- 2 cm granite countertops in all baths
- Elongated white commodes in all baths
- Oil rubbed bronze or satin nickel Moen® plumbing fixtures
- Tile floors run diagonally in all baths
- Oil rubbed bronze or satin nickel trim on glass shower enclosure

Customer Service

- 3 hour complete Design Studio appointment with personal Design Consultant to customize all interior & exterior selections (\$100 per exceeding hour)
- Personal Builder to walk you through each step of the process
- 1 year limited warranty with local, in-house warranty team

Energy Efficient Features

- LOW-E vinyl energy efficient double glazed windows with screens
- Energy efficient insulation package includes:
 - R-30 blown insulation in ceilings
 - R-13 wall rating
- 14-SEER central air conditioning system
- Pilotless gas central heating system
- 50 gallon gas hot water heater(s) (per plan)

(See agent for more energy saving information)

Winstead Farms Phase I Specific Features

- Queen brick exterior
- Radiant barrier decking
- Level 2 hardwood
- Choice of Painted or stained cabinets
- Soft close cabinets & whisper glide drawers in kitchen
- 2 cm granite in laundry room
- Touchscreen security system keypad with smart home app capability
- 1 Additional hour of Design Studio time
- Community swimming pool

(R) 01/30/20

01.30.20

EXHIBIT B

New Home Limited Warranty

Builder Copy

Purchaser: Julie Ann Pereira and Joseph Jonathan Pereira
Subdivision: Final Development Plan, Phase 1, Re-Subdivision of
Address: 5055 Adagio Ln, Lakeland, TN 38002
Lot # 6
Builder: Regency Homebuilders, LLC

The recipient of this warranty is the undersigned Purchaser. The warrantor is the undersigned Builder. The term of this warranty is for **one (1) year**. The commencement date of this warranty is the date of property transfer to Purchaser or the date of occupancy, whichever occurs first. **Any work performed after the one year limited warranty period for issues presented to the Builder before the expiration of the one year limited warranty period, does not extend the term of the warranty; no exceptions. This warranty is not transferrable.**


- I. A list of acceptable performance standards and recommended remedies for deficiencies in this warranty is attached to and made a part of this warranty. (Refer to pages 10-25)
- II Exclusions: Items that are not covered by this warranty. (Refer to page 26-27)

Date Warranty is to Begin: DATE OF CLOSING OR DATE OF OCCUPANCY: 6-4-21

Are there any items not covered by the warranty because they are not provided by the Builder?

Yes No

ONE YEAR LIMITED WARRANTY

Purchaser Initials: 

Purchaser and Builder agree to the terms and conditions of this One Year New Home Limited Warranty and agree that this limited warranty is Builder's sole warranty and that it limits the Builder's liability. Purchaser acknowledges the terms and conditions of this warranty, which is incorporated herein and agrees to follow the procedures enumerated herein. The expressed limited warranties contained therein are in lieu of all other warranties, statutory or otherwise, expressed or implied, all other representations made by Builder and all other obligations or liabilities with respect to said property, including any claim for breach of contract or any other cause of action, warranties of habitability, workmanlike construction, design conditions, quality, merchantability or fitness for a particular use and limit Purchaser's remedies and Builder's liabilities. In no event shall Builder's obligation exceed its obligation set forth in said warranty. In no event shall Builder be liable for consequential, incidental or punitive damages.

- A. Notice to Builder: The Builder must be given written notice of a claimed defect within one (1) year from the Date of Closing or Date of Occupancy, whichever occurs first. The notice must contain a detailed description of the claimed defect and the Performance Standards section that covers the claimed defect. This notice must

be delivered to Builder through Builder's website at www.newregencyhomes.com by completing a warranty request with all required information listed under **contact us/warranty request**.

- B. **Right to Cure:** After providing written notice of a claimed defect to the Builder, the Purchaser shall provide the Builder with a reasonable period of time to cure the claimed defect. The reasonableness of the period to effectuate repair of a claimed defect shall be determined based upon all the circumstances surrounding each claimed defect. Correct diagnosis of the cause or source of a claimed defect may involve a level of trial and error, which may extend the length of the cure period necessary to effectuate repair. The Builder shall not be deemed to be in violation of this One Year New Home Limited Warranty as long as, upon reviewing written notice from the Purchaser of a claimed defect, Builder proceeds diligently in attempting to locate the source of and cure for the claimed defect. All work, methods and materials necessary to repair a defect shall be performed or supplied by vendors and materials chosen solely by the Builder. The direction and supervision of the Builder's vendors rests exclusively with the Builder. If the Purchaser issues any instruction to these vendors, or otherwise interferes with the Builder's or Builder's vendor(s) efforts to repair the claimed defect, this One Year New Home Limited Warranty coverage of the claimed defect is void.

- C. **DISPUTES OR CLAIMS:** It is mutually agreed that ALL disputes and controversies between the parties arising out of or in connection with the New Home Sales Agreement are to the existence, construction, validity, interpretation or meaning, performances, non-performance, enforcement, operation, breach, continuance, or termination thereof or any claim whatsoever, including, without limitation, alleged misrepresentation, unjust enrichment, fraud, negligence and violations of the Tennessee Consumer Protection Act shall be submitted to non-binding mediation in accordance with the rules and procedures of Resolute Systems, Inc. and by using the following procedure. Any warranty claims shall first be submitted to the dispute resolution procedure as set forth in the warranty program called for herein. Thereafter, either party may demand mediation by setting forth such claims in such detail as shall give the other party reasonable notice and by submitting the claim to mediation in accordance with the rules and procedures of Resolute Systems, Inc.

- I. Within thirty days after the demand, the other party shall prepare a response to the allegations set forth in the statement setting forth such other matters the other party considers pertinent.
- II. Each party shall bear (his or her or its) own mediation costs and expenses and shall equally bear the cost of the mediation.

Purchaser Initials: Builder Initials: JB SC

- B. If the parties are unable to settle or resolve the dispute or controversy by mediation, the procedures of Resolute Systems, Inc., the claim shall be submitted to binding arbitration in accordance with the rules and procedures of Resolute Systems, Inc., in which event the decision of the arbitrator shall be final and binding upon both Parties and may be entered in any court having jurisdiction. Demand for arbitration shall be made in writing with the other party to the claim and with the arbitrator. A demand for arbitration shall be made within a reasonable time after the claim, dispute or other matter in question has arisen, but in no event later than the date for the institution of legal proceedings based upon the law of the state where the property is located. The cost of the arbitrator shall be paid by the non-prevailing party or as determined by the arbitrator.

Purchaser Initials: Builder Initials: JB SC

- C. The parties stipulate that the provisions of this agreement shall be complete defense to any lawsuit, action, or proceeding instituted in any federal, state, or local court or before any administrative tribunal with respect to any controversy or dispute arising during the period of this agreement. The mediation and arbitration provisions shall, with respect to the controversy or dispute, survive the termination or expiration of the New Home Limited Warranty and New Homes Sales Agreement.

Purchaser Initials: Builder Initials: JB SC

- D. This New Home Limited Warranty provides for final and binding arbitration regarding any controversy, claim or complaint arising under said Warranty, which is not resolved by mutual agreement between the Purchaser

and Builder. Purchaser's sole remedy for any such unresolved warranty matter is mediation and binding arbitration stated herein, the right to sue the Builder in court being expressly waived.

Purchaser Initials: JP JSP Builder Initials: JB SC

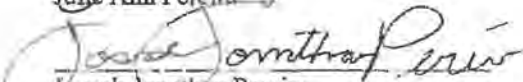
THE PARTIES FURTHER AGREE THAT SUCH AGGRIEVED PARTY MUST EXHAUST ALL SUCH REMEDIES PRIOR TO FILING ANY LEGAL ACTION IN ANY COURT.

Purchaser Initials: JP JSP Builder Initials: JB SC


Access to your home: In order for the Builder to carry out his/her responsibilities under this agreement, they will require access to your home from time to time. By signing the application for this warranty coverage, you hereby agree: (1) To grant access to the Builder and their agents and contractors during normal business hours to inspect, repair, and conduct tests in your home as in their judgment may be required, and (2) Appoint the Builder as your attorney in fact for the purpose of applying or moving for an order to compel access to your home during normal business hours in order for them or their agents or contractors to inspect, repair, and conduct tests in it. **Failure to allow access to your home will void this New Home Limited Warranty.**

New Home Limited Warranty Agreement is attached and incorporated herein by reference

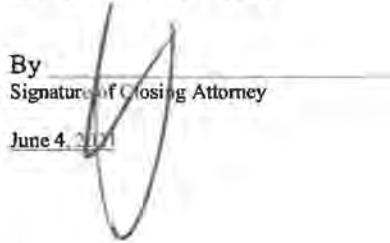

Julie Ann Pereira


Joseph Jonathan Pereira

Regency Homebuilders, LLC

BY: 
Nicholas H. Gilder
Authorized Signatory

Memphis Title Company

By 
Signature of Closing Attorney
June 4, 2021



Regency Homebuilders LLC
3420 S. Houston Levee
Germantown, TN 38139
(901) 275-8502

NEW HOME LIMITED WARRANTY

Regency Homebuilders, LLC

New Home Limited Warranty

Purchaser Copy

Purchaser: Julie Ann Pereira and Joseph Jonathan Pereira
Subdivision: Final Development Plan, Phase 1, Re-Subdivision of
Address: 5055 Adagio Ln, Lakeland, TN 38002
Lot # 6
Builder: Regency Homebuilders, LLC

The recipient of this warranty is the undersigned Purchaser. The warrantor is the undersigned Builder. The term of this warranty is for **one (1) year**. The commencement date of this warranty is the date of property transfer to Purchaser or the date of occupancy, whichever occurs first.

Any work performed after the one year limited warranty period for issues presented to the Builder before the expiration of the one year limited warranty period, does not extend the term of the warranty; no exceptions. This warranty is not transferrable.

- I. A list of acceptable performance standards and recommended remedies for deficiencies in this warranty is attached to and made a part of this warranty. (Refer to pages 10-25)
- II Exclusions: Items that are not covered by this warranty. (Refer to page 26-27)

Date Warranty is to Begin: DATE OF CLOSING OR DATE OF OCCUPANCY: 6-4-21

Are there any items not covered by the warranty because they are not provided by the Builder?

Yes No (Please check one item)

ONE YEAR LIMITED WARRANTY

Purchaser Initials: JAP

Purchaser and Builder agree to the terms and conditions of this warranty and agree that this One Year Limited Warranty is Builder's sole warranty and that it limits the Builder's liability. Purchaser acknowledges the terms and conditions of this warranty, which is incorporated herein and agrees to follow the procedures enumerated herein. The expressed limited warranties contained therein are in lieu of all other warranties, statutory or otherwise, expressed or implied, all other representations made by Builder and all other obligations or liabilities with respect to said property, including any claim for breach of contract or any other cause of action, warranties of habitability, workmanlike construction, design conditions, quality, merchantability or fitness for a particular use and limit purchaser's remedies and Builder's liabilities. In no event shall seller's obligation exceed its obligation set forth in this limited warranty. In no event shall Builder be liable for consequential, punitive or incidental damages.

A. Notice to Builder: The Builder must be given written notice of a claimed defect within one (1) year from the Date of Closing or Date of Occupancy, whichever occurs first. The notice must contain a detailed description of the claimed defect and the Performance Standards section that covers the claimed defect. This notice must

be delivered to Builder through Builder's website at www.newregencyhomes.com by completing a warranty request with all required information listed under **contact us/warranty request**.

B. **Right to Cure:** After providing written notice of a claimed defect to the Builder, the Purchaser shall provide the Builder with a reasonable period of time to cure the claimed defect. The reasonableness of the period to effectuate repair of a claimed defect shall be determined based upon all the circumstances surrounding each claimed defect. Correct diagnosis of the cause or source of a claimed defect may involve a level of trial and error, which may extend the length of the cure period necessary to effectuate repair. The Builder shall not be deemed to be in violation of this One Year New Home Limited Warranty as long as, upon reviewing written notice from the Purchaser of a claimed defect, Builder proceeds diligently in attempting to locate the source of and cure for the claimed defect. All work, methods and materials necessary to repair a defect shall be performed or supplied by vendors and materials chosen solely by the Builder. The direction and supervision of the Builder's vendors rests exclusively with the Builder. If the Purchaser issues any instruction to these vendors, or otherwise interferes with the Builder's or Builder's vendor(s) efforts to repair the claimed defect, this One Year New Home Limited Warranty coverage of the claimed defect is void.

C. **DISPUTES OR CLAIMS:** It is mutually agreed that ALL disputes and controversies between the parties arising out of or in connection with the New Home Limited Warranty are to the existence, construction, validity, interpretation or meaning, performances, non-performance, enforcement, operation, breach, continuance, or termination thereof or any claim whatsoever, including, without limitation, alleged misrepresentation, unjust enrichment, fraud, negligence and violations of the Tennessee Consumer Protection Act shall be submitted to non-binding mediation in accordance with the rules and procedures of Resolute Systems, Inc. and by using the following procedure. Any warranty claims shall first be submitted to the dispute resolution procedure as set forth in the warranty program called for herein. Thereafter, either party may demand mediation by setting forth such claims in such detail as shall give the other party reasonable notice and by submitting the claim to mediation in accordance with the rules and procedures of Resolute Systems, Inc.

- I. Within thirty days after the demand, the other party shall prepare a response to the allegations set forth in the Statement setting forth such other matters the other party considers pertinent.
- II. Each party shall bear (his or her or its) own mediation costs and expenses and shall equally bear the cost of the mediation.

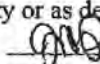
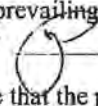
Purchaser Initials:



Builder Initials: JB SC

D. If the parties are unable to settle or resolve the dispute or controversy by mediation, the procedures of Resolute Systems, Inc., the claim shall be submitted to binding arbitration in accordance with the rules and procedures of Resolute Systems, Inc., in which event the decision of the arbitrator shall be final and binding upon both Parties and may be entered in any court having jurisdiction. Demand for arbitration shall be made in writing with the other party to the claim and with the arbitrator. A demand for arbitration shall be made within a reasonable time after the claim, dispute or other matter in question has arisen, but in no event later than the date for the institution of legal proceedings based upon the law of the state where the property is located. The cost of the arbitrator shall be paid by the non-prevailing party or as determined by the arbitrator.

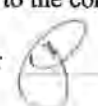
Purchaser Initials:



Builder Initials: JB SC

C. The parties stipulate that the provisions of this agreement shall be complete defense to any suite, action, or proceeding instituted in any federal, state, or local court or before any administrative tribunal with respect to any controversy or dispute arising during the period of this agreement. The mediation and arbitration provisions shall, with respect to the controversy or dispute, survive the termination or expiration of the New Home Sales Agreement.

Purchaser Initials:



Builder Initials: JB SC



Regency Homebuilders LLC
3420 S. Houston Levee
Germantown, TN 38139
(901) 275-8502

Attn: WARRANTY

Your One Year New Home Limited Warranty (page 10) requires all requests for warranty to be entered on-line through our website at www.newregencyhomes.com or by fax to (901) 275-8508. Please complete all information requested on line, so your warranty issue can be resolved as quickly as possible.



Regency Homebuilders LLC
3420 S. Houston Levee
Germantown, TN 38139
(901) 275-8502

NEW HOME LIMITED WARRANTY AGREEMENT

Purchaser and Builder agree to the terms and conditions of this warranty and agree that this limited warranty is Builder's sole warranty and that it limits the Builder's liability. Purchaser acknowledges the terms and conditions of this warranty, which is incorporated herein and agrees to follow the procedures enumerated herein. The expressed limited warranties contained therein are in lieu of all other warranties, statutory or otherwise, expressed or implied, all other representations made by Builder and all other obligations or liabilities with respect to said property, including any claim for breach of contract or any other cause of action, warranties of habitability, workmanlike construction, design conditions, quality, merchantability or fitness for a particular use and limit Purchaser's remedies and Builder's liabilities. In no event shall Builder's obligation exceed its obligation set forth in said warranty. In no event shall Builder be liable for consequential, incidental or punitive damages.

I. ONE YEAR WORKMANSHIP AND MATERIAL LIMITED WARRANTY

For a period of one (1) year beginning on the commencement date specified above ("Warranty Period"), Builder warrants to Purchaser, and only Purchaser, that the Residence will be free from defects in workmanship and materials resulting in non-compliance with the Standards of Construction, a copy of which is attached hereto as Exhibit "A". If no standard has been adopted regarding a certain item, then Builder warrants that the Residence will be free from defects in workmanship and materials due to non-compliance with the structural, mechanical, electrical, and quality standards of the home building industry for the geographic area in which the Residence is located which are in effect at the time the Residence is constructed.

II. ONE YEAR SYSTEMS LIMITED WARRANTY

For a period of one (1) year beginning on the commencement date specified above ("Warranty Period"), Builder warrants to Purchaser, and only Purchaser, that the Residence will be free from defects in the installation of the plumbing, mechanical, or electrical, based upon building codes in effect at the time the Residence was constructed; provided, however, that this warranty does not apply to defects in an appliance, fixture, or item of equipment or defects in the plumbing, cooling, or electrical systems caused by defects in an appliance, fixture, or item of equipment.

III. ONE YEAR MAJOR STRUCTURAL LIMITED WARRANTY.

For a period of one (1) year beginning on the commencement date specified above ("Warranty Period"), Builder warrants to Purchaser, and only Purchaser, that the residence will be free from Major Structural Damage as defined in the Standards of Construction.

IV. CONSUMER PRODUCTS EXCLUDED.

Any appliance, item of equipment, or other item in the Residence which is a "consumer product" for the purposes of the Magnuson-Moss Warranty Act (15 U. S. C. 2301 through 2312) is not warranted by the Builder under this Limited Warranty or otherwise. The Purchaser must rely entirely on the manufacturer's warranty. The following are examples of "consumer products", although other items in the Residence may also be consumer products: refrigerator, trash compactor, range, dishwasher, garbage disposal, air conditioner, furnace, hot water heater, clothes washer and dryer, and thermostat. (Note: the Residence may not contain all of these items).

V. ASSIGNMENT OF MANUFACTURERS' LIMITED WARRANTIES.

Builder hereby assigns to Purchaser the manufacturers' warranties on all appliances, equipment, and "consumer products" installed in the Residence. A copy of these warranties has been delivered to Purchaser, and Purchaser hereby acknowledges receipt of same. Purchaser should follow the procedure set forth in the applicable warranty if a defect appears in any appliance, item of equipment, or other consumer product.



Regency Homebuilders LLC
3420 S. Houston Levee
Germantown, TN 38139
(901) 275-8502

VI. OTHER EXCLUSIONS FROM COVERAGE,

In addition to consumer products, the liability of the Builder under this Limited Warranty shall NOT apply or extend to, and Builder assumes no responsibility for, loss or damage caused by:

- A. Defects in design, installation, or materials that Purchaser supplied, installed, or had installed under his direction,
- B. Additions, alterations, or modifications to the Residence or real property on which it is located done by or at the direction of the Purchaser.
- C. Introduction of water into the soils surrounding the Residence by parties other than Builder or parties under the control of Builder.
- D. Normal wear and tear or normal deterioration.
- E. Normal shrinkage caused by drying of the Residence and the materials used therein with tolerances generally acceptable under the building standards in effect for the geographic area in which the Residence is situated or within the standards of construction.
- F. Normal settling of the Residence within tolerances generally acceptable under the building standards in effect for the geographic area in which the Residence is situated or within the standards of construction.
- G. Dampness and condensation caused by the failure to provide sufficient ventilation after occupancy by parties other than Builder or parties under the control of Builder.
- H. Negligent or intentional failure to maintain the Residence by parties other than Builder or parties under the control of Builder.
- I. Changes in the grading of the ground around the Residence by parties other than Builder or parties under the control of Builder.
- J. Failure to maintain the grades, swales, and drainage patterns established by Builder to assure that any water falling on the property surrounding the Residence, whether from natural precipitation or lawn irrigation, will flow positively away from the Residence.
- K. Landscaping installed by or at the direction of Purchaser or damage resulting from the Purchaser's failure to observe any operating instruction furnished by the Builder.
- L. Insects or animals.
- M. Failure to maintain the Residence in good condition and repair or damage resulting from the Purchaser's failure to observe any care or operating instructions furnished by the Builder.
- N. Failure of Purchaser to take timely action to minimize such loss or damage and/or failure of Purchaser to give Builder proper or timely notice of the defect.
- O. Accidents, natural disasters, or acts of God, including, but not limited to: fire, explosion, smoke, water escape, unforeseen changes in the water table, wind, hail, lightning, falling trees, aircraft and vehicles, flood, tornados, earthquake, except when the loss or damage is caused by Builder's failure to comply with either the Standards of Construction or the building code, as applicable.
- P. Soil movement where the resulting loss or damage is compensated for by legislation or covered by insurance.
- Q. Soil conditions of the real property upon which the Residence is constructed if such real property was owned by Purchaser and obtained by Purchaser from a source independent of Builder.
- R. Defects in an appliance, item of equipment, or consumer product.
- S. Any defect that does not result in actual loss or damage.
- T. Malfunction of equipment or lines of utilities including gas, telephone, power, water or sewer.
- U. Builder is not responsible for roof leaks or damage caused by wind driven rain, windstorm, hail, flood, ice build-up, tornados or any weather related instances. Call your Homeowner Insurance.
- V. Any defect in mahogany doors, including but not limited to, defects related to cracking, splitting, rotting, warping, and finish



Regency Homebuilders LLC
3420 S. Houston Levee
Germantown, TN 38139
(901) 275-8502

VII. PROCEDURES.

- A. **Written Notice of Claim:** If Purchaser discovers a defect which is covered by this One Year New Home Limited Warranty, Purchaser must give written notice to Builder through the Builder's website at www.newregencyhomes.com. If Purchaser has no internet access please contact the Builder by faxing the following information to (901) 275-8508 and specify the name, address, and telephone number of Purchaser; the nature of the defect; the date the defect first occurred; the loss or damage claimed; and the times (Builder's working hours are 9:00 am to 4:00 pm, Monday through Friday) that Builder may have access to the Residence to inspect the loss or damage and, if necessary, take corrective action. Such notice shall be received by Builder as soon as practical after Purchaser either discovers, or in the exercise of reasonable diligence, should have discovered the defect in the Residence or the loss or damage caused by such defect, but in no event later than the last day that this warranty expires.
- B. **Emergency Repairs:** If the defect constitutes an emergency situation, specific subcontractor should be notified by telephone. Emergency situations are **only**:
1. Total loss of heat.
 2. Total loss of electricity or no electricity to the furnace or range.
 3. Total sewer stoppage for the home.
 4. A plumbing leak that requires all water to be shut off to the home.
 5. Total loss of hot water.
 6. Roof Leak Damage: Call Homeowner Insurance Co.
- C. **Builder Response:** Builder or its agent, representative, employee, or subcontractor will try to contact Purchaser within ten (10) business days following Builder's receipt of the notice of the claim to schedule an inspection of the Residence and, if necessary, to schedule the corrective action to be taken by Builder. Builder shall proceed with due diligence to complete any corrective action undertaken by Builder; provided, however, that any delay caused by strikes, labor disputes, boycotts, shortages of labor or materials, governmental actions or inaction, weather, acts of God, or any other fact or circumstance beyond the reasonable control of Builder shall not be a basis for a claim of lack of diligence on the part of Builder. Builder's obligations to proceed with due diligence shall be suspended for as long as any condition, fact, or circumstance shall continue to exist.

VIII. REMEDIES.

- A. **Repair or Replacement.** If, following the inspection of the Residence, Builder determines that a valid warranty claim exists, Builder shall repair or replace, at its option, (i) the defective item and (ii) the damage to those portions of the Residence installed by Builder caused thereby. Builder shall not be responsible if (i) a repaired area of prefinished material does not match in color and/or texture or (ii) patterns in floor coverings, or other finished surfaces have been discontinued. All work shall be performed by Builder or subcontractors chosen by Builder. Builder will not honor invoices, bills, or receipts for labor performed or materials furnished by or at the direction of Purchaser. If repair or replacement is impractical, the Builder may pay to the Purchaser the Builder's reasonable estimate of diminution in value caused by the defect.
- B. **Limitation of Liability.** Builder's liability under this Limited Warranty:
1. Shall **not** exceed the purchase price paid by Purchaser for the Residence.
 2. Shall **not** extend to incidental consequential secondary damages such as bodily injury, loss of use, mental or emotional distress, pain and suffering, damaged to personal property, or damage to real property which is not part of the Residence.
 3. Shall **not** extend to defects discovered after the Residence is no longer used primarily as a dwelling.
 4. Shall **not** extend to attorneys' fees, expenses or costs.
- C. **Warranty Not Extended.** Actions taken by Builder to correct a defect(s) shall not extend the term of this warranty.

IX. ASSIGNABILITY

The warranties provided in this One Year New Home Limited Warranty are personal to Purchaser and may not be transferred or assigned by Purchaser to subsequent owners of the Residence.

X. EXCLUSIVE WARRANTY

Except as provided in the One Year New Home Limited Warranty and to the fullest extent permitted by law, BUILDER MAKES NO OTHER REPRESENTATIONS OR WARRANTIES, OF ANY NATURE, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THOSE OF WORKMANLIKE CONSTRUCTION, HABITABILITY, DESIGN, CONDITION, QUALITY, OR OTHERWISE AS TO THE PROPERTY AND THE RESIDENCE AND/OR OTHER IMPROVEMENTS CONSTRUCTED THEREON AND BUILDER HEREBY EXPRESSLY DISCLAIMS ANY SUCH REPRESENTATIONS OR WARRANTIES INCLUDING ANY BREACH OF CONTRACT OR ANY OTHER CAUSE OF ACTION. Purchaser acknowledges that Purchaser has thoroughly examined the Residence, has read and understands the One Year New Home Limited Warranty and that the Builder has made no guarantees, warranties, understandings nor representations (nor have any been made by agents or representatives of the Builder) except as set forth in this document. Purchaser hereby acknowledges and accepts such disclaimer and agrees to waive any and all rights he may have by virtue of representations and warranties. Except for the warranties provided in this One Year New Home Limited Warranty, Purchaser assumes the risk of any and all damage hereafter occurring in or appearing on the property or the Residence and other improvements construction thereon regardless of the cause thereof. Purchaser's assumption of this risk is partially in consideration of the amount of the purchase price of the Residence which is lower than it would be if Builder was to be held responsible for any such risks by virtue of said express or implied representations or warranties.

XI. OTHER RIGHTS

This One Year New Home Limited Warranty gives you, as Purchaser, specific legal rights. You may also have other legal rights that vary from state to state.

APPLICABLE LAW/SEVERABILITY

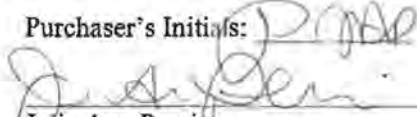
This One Year New Home Limited Warranty shall be construed in accordance with the laws of the State of Tennessee. If any portion of this One Year New Home Limited Warranty is deemed illegal or unenforceable, the remainder shall be enforced as if the offending portion did not exist.

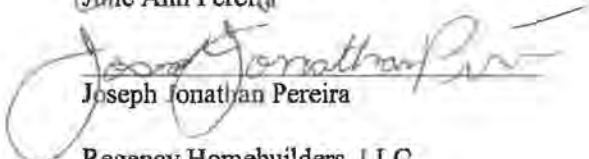
ARBITRATION

Any dispute regarding this One Year New Home Limited Warranty shall, at the option of the Builder, be submitted to binding arbitration under the facilities and procedures of Resolute Systems, Inc.

Purchaser's Initials: JP

Builder's Initials: JB SC


Julie Ann Pereira


Joseph Jonathan Pereira

Regency Homebuilders, LLC

BY: 

Nicholas H. Gfider

Authorized Signatory



Regency Homebuilders LLC
3420 S. Houston Levee
Germantown, TN 38139
(901) 275-8502

NEW HOME LIMITED WARRANTY

Performance Standards -Topic Index

The Performance Standards list specific items within each separate area of coverage. The standards are expressed in terms of performance criteria. For easy comprehension, the format is designed as follows:

1. **Possible Deficiency** - a brief statement, in simple terms, of problems that may be encountered.
2. **Performance Standard** - a performance standard relating to a specific deficiency.
3. **Responsibility** - a statement of the corrective action required of the Builder to repair the deficiency during the first year after purchase or a statement of the Purchaser's maintenance responsibilities.

Workmanship and Materials (One Year Only)	Page(s)
1. Site Work	11
2. Concrete	11, 12, 13
3. Masonry	13
4. Wood and Plastic	13, 14
5. Thermal and Moisture	14, 15, 16
6. Doors and Windows	16, 17
7. Finishes	18, 19, 20, 21
8. Specialties	21
9. Cabinets and Counter Tops	21, 22
10. Plumbing	22, 23, 24
11. Heating, Cooling and Ventilation	24, 25
12. Electrical	25

CONSTRUCTION QUALITY STANDARDS

The following Construction Quality Standards are standards that have been developed and accepted by the residential construction industry in general. THEY APPLY ONLY TO THE ONE YEAR WORKMANSHIP WARRANTY.

You should be aware that all new homes go through a period of settlement and movement. During this period, your home may experience some minor material shrinkage, cracking and other events that are unavoidable and considered normal. You should also be aware that you are responsible for proper home maintenance. Changes, alterations or additions performed by anyone other than the Builder, Builder's employees, Builder's subcontractors, or Builder's vendors, are specifically excluded from the warranty and may void the warranty.

The following Construction Quality Standards are expressed in terms of required standards that the Builder's construction should meet. Non-compliance with these construction standards calls for corrective action by the Builder. Refer to other parts of this document for specific terms, definitions, exclusions and conditions that apply to the one year limited warranty.



Regency Homebuilders LLC
3420 S. Houston Levee
Germantown, TN 38139
(901) 275-8502

WORKMANSHIP AND MATERIALS

ONE YEAR LIMITED WARRANTY

I. Site Work

A. Site Grading

1. Possible Deficiency - The ground has settled around the foundation, over utility trenches, or in other areas.

Performance Standard - Settling of ground around foundation walls, over utility trenches, or in other filled areas shall not interfere with water drainage away from the home.

Responsibility - If the **Builder** has provided final grading, upon request by the Purchaser, the Builder will fill settled areas affecting proper drainage in excess of six inches (6") deep, one time only during the one year limited warranty period. The Purchaser will be responsible for removal and replacement of shrubs and other landscaping affected by placement of such fill.

B. Site Drainage

1. Possible Deficiency - Improper drainage of the site.

Performance Standard - The necessary grades and swales shall have been established by the Builder to insure proper drainage away from the Residence which is established by Final Inspection. Standing or ponding water shall not remain for extended periods in the immediate area after a rain (generally no more than 24 hours), except that in swales that drain other areas, or in areas where sump pumps discharge, a longer period can be anticipated (generally no more than 48 hours). The possibility of standing water after an unusually heavy rainfall should be anticipated. No grading determination shall be made while there is frost or snow on the ground, or while the ground is saturated. Driveways, sidewalks or other finished surfaces may be part of the swale.

Responsibility - The Builder is responsible only for initially establishing the proper grades and swales. The Purchaser is responsible for maintaining such grades and swales once they have been properly established and the sale has closed.

2. Possible Deficiency - The site has soil erosion.

Performance Standard - The Builder is not responsible for soil erosion due to acts of God, or other conditions beyond the Builder's control.

Responsibility - No action required.

II. Concrete

A. Cast-in Place Concrete

1. Possible Deficiency - Cracking of the slab in the attached garage

Performance Standard - Cracks in garage slabs in excess of 1/4 inch in width or 1/4 inch in vertical displacement shall be repaired.

Responsibility - The Builder will repair cracks exceeding maximum tolerances by surface patching.

2. Possible Deficiency - Uneven concrete floors or slabs.

Performance Standard - Except for basement floors or where a floor or portion of floor has been designed for specific drainage purposes, concrete floors in rooms designed for habitability shall not have pits, depressions or areas of unevenness exceeding three-eighths of an inch (3/8") in a thirty-two inch (32") measurement.

Responsibility - The Builder will correct or repair uneven concrete floors and/or slabs exceeding the maximum tolerance to meet the Performance Standard.

3. Possible Deficiency - Cracks in concrete slab-on-grade floors with finish flooring.

Performance Standard - Cracks which rupture the finish flooring material shall be repaired.



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- Responsibility** - The Builder will repair cracks in concrete slab-on-grade floors which rupture the finish flooring material.
4. **Possible Deficiency** - Pitting, scaling or spalling of scored and stamped concrete.
Performance Standard - Concrete floors and other surfaces are expected to crack. Cracks that display a variance of one-quarter of an inch (1/4") or more in displacement will be repaired. Concrete shall not disintegrate to the extent that the aggregate is exposed and loosened under normal conditions of weathering and use.
Responsibility - The Builder will take the necessary steps to make the repair, but the repaired area is not expected to match the original finish. The Builder is not responsible for deterioration caused by salt, chemicals, mechanical implements, excessive weight applied to the concrete, or other factors beyond the Builder's control.
5. **Possible Deficiency** - Settling, heaving, or separating of stoops, steps or garage floors.
Performance Standard - Stoops, steps or garage floors shall not settle, heave or separate in excess of one inch (1") from the house structures.
Responsibility - No measurement will be taken until the ground has had adequate opportunity to thaw. The Builder will take whatever corrective action is required to meet the Performance Standard.
6. **Possible Deficiency** - Standing water on stoops.
Performance Standard - Water should drain from outdoor stoops and steps. The possibility of minor water standing on stoops for a short period after rain should be anticipated.
Responsibility - The Builder shall take corrective action to assure drainage of steps and stoops.
7. **Possible Deficiency** - Basement or foundation wall cracks.
Performance Standard - Shrinkage cracks are not unusual in concrete foundation walls.
Responsibility - The Builder will repair cracks that are leaking.
8. **Possible Deficiency** - Cracking of basement floor.
Performance Standard - Minor cracks in concrete basement floors are normal. Cracks exceeding one-quarter of an inch (1/4") in width or three-sixteenths of an inch (3/16") in vertical displacement shall be repaired.
Responsibility - The Builder will repair cracks in concrete basement floors that exceed the maximum tolerances. Repair by caulking or patching is acceptable.
9. **Possible Deficiency** - Flowing or trickling water appears on interior crawl space surfaces.
Performance Standard - Crawl spaces should be graded and drained properly to prevent water from accumulating in excess of three-fourths of an inch (3/4") and larger than thirty-six inches (36") in diameter in the crawl space area.
Responsibility - The Builder will take the necessary corrective measures to create positive flow within the crawl space to discharge water to the exterior of the structure.
10. **Possible Deficiency** - Condensation is evident on the walls, earth, or floor insulation in the crawl space.
Performance Standard - Condensation in the crawl space shall not result from lack of adequate ventilation as required by local code. Condensation resulting from other causes is not the responsibility of the Builder.
Responsibility - The Builder will ensure that ventilation meets the local code requirements at the time of construction. Further reduction of condensation is a Purchaser maintenance responsibility.
11. **Possible Deficiency** - Wood columns are bowed or out of plumb.
Performance Standard - Wood columns shall not bow in excess of one inch (1") in an eight foot (8') measurement. When measuring from the base to the top of the column, wood columns shall not be out of plumb in excess of one-fourth of an inch (1/4") in a twelve inch (12") measurement nor exceed one and



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one-half inches (1 ½") in an eight foot (8') measurement.

Responsibility - The Builder shall repair any deficiencies in excess of the maximum tolerances provided in the Performance Standard.

III. Masonry

A. Unit Masonry

1. **Possible Deficiency** - Basement or foundation wall cracks.

Performance Standard - Small cracks not affecting structural stability are not unusual in mortar joints of masonry foundation walls. Cracks that are greater than one-fourth of an inch (1/4") in width shall be repaired.

Responsibility - The Builder shall repair basement or foundation wall cracks in excess of one-quarter inch (1/4") in width by pointing or patching.

2. **Possible Deficiency** - Cracks in masonry walls or veneer.

Performance Standard - Small cracks caused by shrinkage are common in mortar joints in masonry construction. Cracks greater than three-eighths of an inch (3/8") in width are considered excessive.

Responsibility - The Builder shall repair cracks in masonry walls or veneer that exceed the maximum tolerance by pointing or patching. The Builder is not responsible for color variation between old and new mortar.

3. **Possible Deficiency** - Mortar stains on exterior brick or stone.

Performance Standard - Exterior brick and stone shall be free from mortar stains detracting from the appearance of the finished wall when viewed from a distance of twenty feet (20').

Responsibility - The Builder will clean the mortar stains to meet the Performance Standard.

IV. Wood and Plastic

A. Rough Carpentry

1. **Possible Deficiency** - Floors squeak or subfloor appears loose.

Performance Standard - Floor squeaks and loose subfloor are often temporary conditions common to new construction, and a squeak-proof floor cannot be guaranteed.

Responsibility - No action required.

2. **Possible Deficiency** - Uneven wood floors.

Performance Standard - Floors shall not have a ridge or depression in excess of one-fourth of an inch (1/4") within any thirty-two inch (32") measurement, when measured parallel to the joists. Where the floor joists in a room are perpendicular, a ridge or depression shall not be considered a defect unless it is accompanied by a deflection in the flooring in excess of one-fourth of an inch (1/4"). Allowable floor and ceiling joist deflections are governed by the applicable building code.

Responsibility - The Builder will correct or repair ridges or depressions in wood floors to meet the Performance Standard.

3. **Possible Deficiency** - Bowed walls.

Performance Standard - All interior and exterior walls have slight variances on their finished surfaces. Bowing of walls should not detract from or blemish the wall's finished surface. Walls should not bow more than one-half of an inch (1/2") out of line within any thirty-two inch (32") horizontal or vertical measurement.

Responsibility - The Builder will repair to meet the Performance Standard.

4. **Possible Deficiency** - Out of Plumb walls.

Performance Standard - Walls should not be more than three-eighths of an inch (3/8") out of plumb in any thirty-two inch (32") vertical measurement.



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Responsibility - The Builder will repair out of plumb walls to meet the Performance Standard.

5. **Possible Deficiency** - Springiness, bounce, shaking, or visible sag is observed in floor.

Performance Standard - All beams, joists, rafters, headers, and other structural members shall be sized, and fasteners spaced, according to the National Forest Products Association span tables, or applicable local building codes.

Responsibility - The Builder will reinforce or modify as necessary, any floor, wall, ceiling, or roof not meeting the Performance Standard.

B. Finish Carpentry (Interior)

1. **Possible Deficiency** - Shrinkage or fit of interior trim.

Performance Standard - Joints in moldings or joints between moldings and adjacent surface shall not result in open joints in excess of one-eighth of an inch (1/8") in width.

Responsibility - Builder will repair defective joints, as defined by the Performance Standard. Such repairs shall be made one (1) time only during the one year limited warranty period. Repair by caulking is acceptable.

2. **Possible Deficiency** - Interior trim is split

Performance Standard - Splits, cracks, and checking are inherent characteristics of all wood products, and they are not a defect.

Responsibility - No action required.

C. Finish Carpentry (Exterior)

1. **Possible Deficiency** - Shrinkage or fit of exterior trim.

Performance Standard - Joints between exterior trim elements, including siding and masonry, shall not result in open joints in excess of three-eighths of an inch (3/8"). In all cases the exterior trim, masonry and siding shall be capable of performing its function of excluding the elements.

Responsibility - The Builder will repair open joints, as defined by the Performance Standard. Repair by caulking is acceptable.

2. **Possible Deficiency** - Exterior door hardware and kick plates have tarnished.

Performance Standard - Finishes on door hardware installed by the Builder are covered by manufacturer's warranty.

Responsibility - No action required. It is the Purchaser's responsibility to contact the manufacturer.

V. Thermal and Moisture

A. Insulation

1. **Possible Deficiency** - Insufficient insulation.

Performance Standard - Insulation shall be installed in accordance with applicable energy and building code requirements.

Responsibility - The Builder will install insulation in sufficient amounts to meet the Performance Standard.

B. Louvers and Vents

1. **Possible Deficiency** - Leaks due to snow or rain driven into the attic through louvers or vents.

Performance Standard - Attic vents and/or louvers must be provided for proper ventilation of the attic space of the structure.

Responsibility - No action required.

C. Roofing and Siding:

1. **Possible Deficiency** - Ice build-up on the roof.

Performance Standard - During prolonged cold spells, ice build-up is likely to occur at the eaves of a



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roof. This condition occurs when snow and ice accumulate and gutters and downspouts freeze up.
Responsibility - Prevention of ice build-up on the roof is the Purchaser's maintenance responsibility.

2. **Possible Deficiency** - Roof or flashing leaks.

Performance Standard - Roofs or flashing shall not leak under normal conditions. Roof or flashing leaks caused by damage due to wind driven rain, windstorm, hail, flood, ice build-up, tornados or any weather related instances or by Purchaser's action and/or negligence is not a defect covered by this One Year New Home Limited Warranty.

Responsibility - The Builder will repair any verified roof or flashing leaks not caused by ice build-up or Purchaser's action or negligence.

3. **Possible Deficiency** - Standing water on built up roofs.

Performance Standard - A properly pitched built-up roof is to drain water except for minor ponding. Dead flat roofs will retain a certain amount of water. Excessive ponding of water, which causes leaking of the built up-roof, is a deficiency.

Responsibility - The Builder will repair all leaks due to or caused by standing water. Standing or ponding water itself is not a deficiency.

4. **Possible Deficiency** - Delamination of veneer siding or joint separation.

Performance Standard - All siding shall be installed according to the manufacturer and industry accepted standards. Separations and delaminations shall be repaired or replaced. The proper maintenance of siding is the Purchaser's responsibility.

Responsibility The Builder will repair or replace siding separation and delamination as needed to meet the Performance Standard, unless caused by Purchaser's failure to maintain the siding properly. The Builder is not responsible for variations in the color and/or texture of the repaired area. For surfaces requiring paint, the Builder will paint only the new materials. The Purchaser can expect that the newly painted surface may not match original surface in color.

5. **Possible Deficiency** - Siding is bowed or wavy.

Performance Standard - Some waviness in lap siding is to be expected because of bows in studs. Thermal expansion waves or distortions in aluminum or vinyl lap siding, sometimes called oil canning, are unacceptable if they exceed one-fourth of an inch (1/4") in a sixteen inch (16") measurement.

Responsibility - The Builder will reinstall or replace siding as necessary to correct any thermal expansion waves or distortions to comply with the Performance Standard.

6. **Possible Deficiency** - Aluminum or vinyl lap siding trim is loose from house

Performance Standard - Trim shall not separate more than one-fourth of an inch (1/4") from the house.

Responsibility - The Builder will reinstall trim or caulk separations as necessary to comply with the Performance Standard.

7. **Possible Deficiency** - Aluminum or vinyl lap siding courses are not parallel with eaves or wall openings.

Performance Standard - Any piece of aluminum or vinyl lap siding more than one inch (1") off parallel in twenty feet (20') with contiguous courses, or contiguous break such as soffit line, is unacceptable.

Responsibility - The Builder will reinstall siding to comply with the Performance Standard and replace any siding damaged during removal.

8. **Possible Deficiency** - Aluminum or vinyl lap siding trim accessories are loose from caulking at windows or other wall openings.

Performance Standard - Siding trim accessories shall not separate from caulking at windows or other wall openings during the limited warranty period.

Responsibility - The Builder will repair or caulk aluminum or vinyl lap siding trim as necessary to seal the separation.



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9. **Possible Deficiency** - Aluminum or vinyl lap siding is not cut tight to moldings.

Performance Standard - Gaps between siding and molding shall not exceed one-fourth of an inch (1/4").

Responsibility - The Builder will correct gaps between aluminum or vinyl lap siding and molding to meet the Performance Standard.

10. **Possible Deficiency** - Siding end gaps are visible.

Performance Standard - Siding end gaps wider than one-fourth of an inch (1/4") are unacceptable.

Responsibility - The Builder will repair siding end gaps that do not meet the Performance Standard.

11. **Possible Deficiency** - Asphalt shingles do not overhang edges of roof, or hang too far over edges of roof.

Performance Standard - Asphalt shingles shall overhang roof edges by not less than one-fourth of an inch (1/4"), and not more than one inch (1"), unless the manufacturer's standards or specifications indicate otherwise.

Responsibility - The Builder will replace shingles that do not meet the Performance Standard.

D. Sheet Metal (if provided for houses equipped with gutters)

1. **Possible Deficiency** - Gutters and/or downspouts leak.

Performance Standard - Gutters and downspouts shall not leak but gutters may overflow during heavy rain.

Responsibility - The Builder will repair leaks. It is a Purchaser's responsibility to keep gutters and downspouts free of leaves and debris that could cause overflow.

2. **Possible Deficiency** - Water standing in gutters.

Performance Standard - When gutters are unobstructed by debris, the water level shall not exceed one (1) inch in depth. Industry practice is to install gutters approximately level. Consequently, small amounts of standing water in certain sections of gutter immediately after a rain should be anticipated.

Responsibility - The Builder will correct unobstructed gutters that accumulate water in excess of the maximum tolerance to meet the Performance Standard.

E. Sealants

1. **Possible Deficiency** - Leaks in exterior walls due to inadequate caulking.

Performance Standard - Joints and cracks in exterior wall surfaces and around openings shall be properly caulked to exclude the entry of water.

Responsibility - The Builder will repair and/or caulk joints or cracks in exterior wall surfaces as required to correct deficiencies. Such repairs will be made one (1) time only during the one year limited warranty period. Even properly installed caulking will shrink and must be maintained by the Purchaser during the life of the Home.

F. Waterproofing

1. **Possible Deficiency** - Leaks in basement.

Performance Standard - Leaks resulting in actual trickling of water shall be repaired. Leaks caused by improper landscaping or failure to maintain proper grades are not covered by this Limited Warranty. Dampness of the walls or floors may occur in new construction and is not a deficiency.

Responsibility - The Builder will take such action as necessary to correct basement leaks to comply with the Performance Standard, except where the cause is determined to result from Purchaser's action or negligence.

VI. Doors and Windows

A. Wood, Plastic and Metal Doors

1. **Possible Deficiency** - Warping of exterior and/or attic doors.

Performance Standard - Exterior doors and/or attic doors will warp to some degree due to temperature



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differential on inside and outside surfaces. However, they shall not warp to the extent that they become inoperable or cease to be weather resistant or exceed one-fourth of an inch (1/4") measured diagonally from corner to corner, based on National Woodwork Manufacturers Association Standards.

Responsibility - The Builder will correct or replace and refinish defective doors during the limited warranty period.

Note: All mahogany doors are specifically excluded from this Limited Warranty.

2. **Possible Deficiency** - Fit of interior passage and/or closet doors.
Performance Standard - Interior doors (full openings) shall not warp in excess of one-fourth of an inch (1/4") at the bottom and a maximum of three-eighths of an inch (3/8") on both sides and at the top, when the door is closed.
Responsibility - The Builder will correct or replace and refinish defective doors to match existing doors as nearly as possible, during the limited warranty period. Exact match of finish or color is not possible.
Note: All mahogany doors are specifically excluded from this Limited Warranty.
3. **Possible Deficiency** - Shrinkage of insert panels show raw wood edges.
Performance Standard - Panels will shrink and expand and unpainted surfaces may become exposed. This is normal.
Responsibility - No action required.
4. **Possible Deficiency** - Split in door panel.
Performance Standard - Split panels shall not allow light to be visible through the door.
Responsibility - The Builder will, if light is visible, fill split and match paint or stain as closely as possible, one time only during the one year limited warranty period.
Note: All mahogany doors are specifically excluded from this Limited Warranty.

B. Glass

1. **Possible Deficiency** - Broken or scratched glass.
Performance Standard - None.
Responsibility - No action required. Broken or scratched glass not reported to the Builder prior to closing or first occupancy is the Purchaser's responsibility.

C. Garage Doors on Attached Garages

1. **Possible Deficiency** - Garage doors fail to operate properly.
Performance Standard - Garage doors shall operate properly under conditions of normal use.
Responsibility - The Builder will correct or adjust garage doors as required to meet the Performance Standard, except where the cause is determined to result from Purchaser's action or negligence.
2. **Possible Deficiency** - Garage doors allow entrance of snow or water.
Performance Standard - Garage doors shall be installed as recommended by the manufacturer. Some entrance of the elements can be expected under abnormal conditions.
Responsibility - The Builder will adjust or correct garage doors to meet manufacturer's recommendations.

D. Wood, Vinyl and Metal Windows

1. **Possible Deficiency** - Malfunction of windows.
Performance Standard - Windows shall operate with reasonable ease, as designed.
Responsibility - The Builder will correct or repair malfunctioning windows as required to meet the Performance Standard.
2. **Possible Deficiency** - Condensation and/or frost on windows.
Performance Standard - Condensation is usually the result of climatic/humidity conditions. Condensation collecting on the interior surface of windows in conditions of extreme temperature



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differences or high humidity levels is not unusual and is not a deficiency.

Responsibility - Unless directly attributed to faulty installation, window condensation is a result of conditions beyond the Builder's control. No corrective action required.

E. Weather-stripping and Seals

1. **Possible Deficiency** - Air or water infiltration around doors and windows.

Performance Standard - Some infiltration is normally noticeable around doors and windows, especially during high winds. Poorly fitted weather-stripping shall be adjusted or replaced. It may be necessary for the Purchaser to have storm doors and storm windows installed to provide satisfactory solutions in high wind areas or during storms with high winds.

Responsibility - The Builder will adjust or correct poorly fitted doors, windows and poorly fitted weather stripping to meet the Performance Standard. Consequential loss or damage is not covered.

VII. Finishes

A. Gypsum Wallboard

1. **Possible Deficiency** - Nail pops, blisters, or other blemishes are visible on finished walls or ceilings.

Performance Standard - Slight "imperfections" such as nail pops, seam lines and cracks not exceeding one-eighth inch (1/8") in width are common in gypsum wallboard installations and are considered acceptable. Any such blemishes that are readily visible from a distance of six feet (6') under normal lighting conditions are unacceptable.

Responsibility - The Builder will repair only cracks exceeding one-eighth inch (1/8") in width, one time only, during the limited warranty period. The Builder will touch up paint in repaired areas if the Builder was responsible for the original interior painting. A perfect match between original and new paint cannot be expected. The Builder is not required to paint an entire wall or room to which repairs have been made.

B. Ceramic Tile

1. **Possible Deficiency** - Ceramic tile cracks or becomes loose.

Performance Standard - Ceramic tile shall not crack or become loose.

Responsibility - The Builder will replace cracked tiles and re-secure loose tiles, except where the defects were the result of the Purchaser's action or negligence. Replacement of cracked tiles will be performed one (1) time only during the limited warranty period. The Builder will not be responsible for discontinued patterns or color variations in ceramic tile.

2. **Possible Deficiency** - Cracks appear in grouting of ceramic tile joints or at junctions with other materials such as a bathtub.

Performance Standard - Cracks in grouting of ceramic tile joints are commonly due to normal shrinkage conditions. Cracks up to one-eighth of an inch (1/8") are acceptable.

Responsibility - The Builder will repair grouting, if necessary, to meet the Performance Standard. Such repairs will be made one (1) time only, during the limited warranty period. Repair by caulking is acceptable. The Builder will not be responsible for color variations or discontinued color grout. Re-grouting of cracks throughout the life of the home is a maintenance responsibility of the Purchaser.

C. Finished Wood Flooring

1. **Possible Deficiency** - Cracks developing between floor boards.

Performance Standard - Cracks in excess of one-eighth of an inch (1/8") in width shall be corrected.

Responsibility - The Builder will repair cracks in excess of one-eighth of an inch (1/8"), by filling or replacing, at Builder's sole discretion.

2. **Possible Deficiency** - Strip hardwood floor boards are cupped.

Performance Standard - Cups in strip hardwood floor boards shall not exceed one-sixteenth of an inch



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(1/16") in height in a three inch (3") maximum span measured perpendicular to the long axis of the board. Cupping caused by exposure to moisture beyond the control of the Builder is not covered.

Responsibility - The Builder will correct or repair cups in strip hardwood floorboards to meet the Performance Standard.

3. **Possible Deficiency** - Slivers or splinters appear in strip flooring.

Performance Standard - Slivers or splinters that occur during the installation of the flooring are unacceptable.

Responsibility - The Builder will repair to meet the Performance Standard.

4. **Possible Deficiency** - Hollow sound when flooring is walked on.

Performance Standard - Irregularities in slabs and wood flooring manufacturing may result in hollow sound in scattered locations, this is normal.

Responsibility - No repair necessary.

D. Resilient Flooring

1. **Possible Deficiency** - Nail pops appear on the surface of resilient flooring.

Performance Standard - Readily apparent surface nail pops are deficiencies.

Responsibility - The Builder will correct surface nail pops that have caused damage to the floor material and repair or replace damaged floor covering in the affected area. The Builder is not responsible for discontinued patterns or color variations. Any tears and gouges must be noted prior to first occupancy or closing on the home, whichever occurs first.

2. **Possible Deficiencies** - Depressions or ridges appear in the resilient flooring due to subfloor irregularities.

Performance Standard - Readily apparent depressions or ridges exceeding one-eighth of an inch (1/8") shall be repaired. The ridge or depression measurement is taken as the gap created at one end of a six-inch (6") straightedge placed over the depression or ridge with three inches (3") of the straightedge on one side of the defect, held tightly to the floor.

Responsibility - The Builder will take corrective action as necessary, to bring the defect within acceptable tolerance so that the affected area is not readily visible. The Builder will not be responsible for discontinued patterns or color variations in floor covering.

3. **Possible Deficiency** - Resilient flooring loses adhesion.

Performance Standard - Resilient flooring shall not lift, bubble or become unglued.

Responsibility - The Builder will repair or replace, at Builder's sole discretion, the affected resilient flooring as required. The Builder will not be responsible for discontinued patterns or color variations of floor covering, or for problems caused by Purchaser's neglect and/or abuse.

4. **Possible Deficiency** - Seams or shrinkage gaps show at resilient flooring joints.

Performance Standard - Gaps in joints in resilient flooring shall not exceed one-sixteenth of an inch (1/16") inch in width. Where dissimilar materials abut, the gap shall not exceed one-eighth of an inch (1/8").

Responsibility - At the Builder's sole option, the Builder will repair or replace the resilient flooring as necessary, to meet the Performance Standard. The Builder will not be responsible for discontinued patterns or color variations when replacing the floor covering.

5. **Possible Deficiency** - Bubbles appear on roll vinyl flooring.

Performance Standard - Bubbles resulting from trapped air that protrude higher than one-sixteenth of an inch (1/16") from the floor are not acceptable.

Responsibility - The Builder will repair bubbles in the roll vinyl flooring to meet the Performance Standard.



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E. Painting

1. **Possible Deficiency** - Exterior paint peels, deteriorates or fades.
Performance Standard - Exterior paints should not fail during the limited warranty period. However, fading is normal and the degree is dependent on climatic conditions.
Responsibility - If paint is defective, the Builder will properly prepare and refinish affected areas. The Builder shall not be responsible for matching colors and finishes. .
2. **Possible Deficiency** - Painting required as corollary repair because of other limited warranty work.
Performance Standard - Following the completion of the repairs required under this limited warranty, the Builder shall repaint the affected area. The Builder shall not be responsible for matching colors and finishes.
Responsibility - The Builder will finish repair areas as indicated to meet the Performance Standard.
3. **Possible Deficiency** - Deterioration of varnish, polyurethane or lacquer finishes.
Performance Standard - Natural finishes on interior woodwork shall not deteriorate during the limited warranty period. However, varnish type finishes used on the exterior will deteriorate rapidly and are not covered by the limited warranty.
Responsibility - The Builder will retouch affected areas of natural finish interior woodwork. The Builder shall not be responsible for matching colors or finishes.
4. **Possible Deficiency** - Mildew or fungus on painted surfaces.
Performance Standard - Mildew or fungus will form on painted surfaces, if the structure is subject to abnormal exposures (i.e. excessive rainfall, a lake, or a pond or river front location).
Responsibility - Mildew or fungus formation is a condition the Builder cannot control and is the Purchaser's maintenance responsibility unless it is a result of noncompliance with other sections of the Performance Standard that are reported to Builder during the one year limited warranty period.
5. **Possible Deficiency** - Interior paint does not cover the underlying surface.
Performance Standard - The surface being painted shall not show through new paint when viewed from a distance of six feet (6') under natural lighting conditions.
Responsibility - The Builder will recoat as necessary to meet the Performance Standard. The Builder shall not be responsible for matching colors or finishes.

F. Wall Covering

1. **Possible Deficiency** - Peeling of wall covering, installed by Builder.
Performance Standard - Peeling of wall covering shall not occur.
Responsibility - The Builder will match the existing wall covering to the best of the Builder's ability.
2. **Possible Deficiency** - Edge mismatching in pattern of wall covering.
Performance Standard - None.
Responsibility - No action required.

G. Carpeting

1. **Possible Deficiency** - Open carpet seams.
Performance Standard - Carpet seams will show. However, no visible gap is acceptable.
Responsibility - The Builder will correct visible gaps in carpet seams.
2. **Possible Deficiency** - Wall-to-wall carpeting becomes loose, seams separate or stretching occurs.
Performance Standard - Wall to wall carpeting, installed as the primary floor covering, when stretched and secured properly, shall not come up, become loose, or separate from its points of attachment.
Responsibility - The Builder will re-stretch or re-secure wall-to-wall carpeting that has become loose or has separated if the original installation was performed by the Builder, except if caused by normal wear and tear or moving furniture. Such repairs will be made one (1) time only during the limited warranty



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period.

- Possible Deficiency** - Spots on carpet, minor fading.
Performance Standard - Exposure to light may cause spots on carpet and/or minor fading, this is normal.
Responsibility - No action required.

H. Special Coatings

- Possible Deficiency** - Cracks in exterior cement stucco wall surfaces.
Performance Standard - Cracks are not unusual in exterior stucco wall surfaces. Cracks greater than one-eighth of an inch (1/8") in width shall be repaired.
Responsibility - The Builder will repair cracks exceeding one-eighth of an inch (1/8") in width. Such repairs will be made only once during the limited warranty period.
Note: Synthetic stucco is specifically excluded from this Limited Warranty.

VIII. Specialties

A. Louvers and Vents

- Possible Deficiency** - Inadequate ventilation of attics and crawl spaces.
Performance Standard - Attic and crawl spaces shall be ventilated as required by the local building code.
Responsibility - The Builder shall provide for adequate ventilation. The Builder will not be responsible for alterations to the original system that was installed by the Builder.

B. Fireplaces

- Possible Deficiency** - Fireplace or chimney does not draw properly.
Performance Standard - A properly designed and constructed fireplace and chimney shall function properly. It is normal to expect that high winds can cause temporary negative draft situations. Similar negative draft situations can also be caused by obstructions such as large branches of trees too close to the chimney. Some homes may need to have a window opened slightly to create an effective draft, if they have been insulated and weatherproofed to meet high energy conservation criteria.
Responsibility - Builder will determine the cause of malfunction and correct if the problem is one of faulty design or construction of the fireplace.
- Possible Deficiency** - Chimney separation from structure to which it is attached.
Performance Standard - Newly built fireplaces will often incur slight amounts of separation. Separation shall not exceed one-half of an inch (1/2") from the main structure in any ten foot (10') vertical measurement.
Responsibility - The Builder will determine the cause of separation and, if the Performance Standard is not met, correct the problem. Repair by caulking is acceptable.
- Possible Deficiency** - Firebox cracks or paint is changed by fire.
Performance Standard - None.
Responsibility - No action required.

IX. Cabinets and Counter Tops

A. Counter Tops

- Possible Deficiency** - Surface cracks, joint delaminations and chips in high pressure laminates on vanity and kitchen cabinet counter tops.
Performance Standard - Countertops fabricated with high pressure laminate coverings shall not delaminate.



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Responsibility - The Builder will replace delaminated coverings to meet the Performance Standard. The Builder will not be responsible for chips, scratches or cracks that were not noted by Purchaser during their inspection and walk thru prior to first occupancy or closing, whichever occurs first.

2. **Possible Deficiency** - Countertops are not level.
Performance Standard - Counter tops shall be no more than three-eighths of an inch (3/8") out-of-level in a ten foot (10') measurement. For remodeling projects where the floor is out of level, the counter top may be installed proportionately out-of-level.
Responsibility - The Builder will make necessary adjustments to out-of-level countertops to meet the Performance Standard.
3. **Possible Deficiency** - Granite and quartz countertop seams are not level.
Performance Standard - The seam(s) of the countertop should be level from front to back and not exceed one-eighth inch (1/8") in variation.
Responsibility - The Builder will take the proper steps to make this repair if it is out of tolerance. Granite and quartz countertops are natural surfaces and may crack. The Builder is not responsible for cracks, scratches or chips after the date of first occupancy or closing, whichever occurs first.
4. **Possible Deficiency** - Countertops separate from the wall.
Performance Standard - Countertops shall not separate from the wall by more than one-fourth of an inch (1/4").
Responsibility - The Builder will make necessary adjustments to meet the Performance Standard. Caulking is an acceptable method of repair.

B. Cabinets

1. **Possible Deficiency** - Kitchen cabinet doors and/or drawer fronts warp.
Performance Standard - Warping is not to exceed one-fourth of an inch (1/4") as measured from the face frame to point of the furthest warping, with door or drawer front in closed position.
Responsibility - The Builder will correct or replace warped kitchen cabinet doors or drawer fronts to meet the Performance Standard.
2. **Possible Deficiency** - Gaps between cabinets, ceiling or walls.
Performance Standard - The acceptable tolerance for gaps between cabinets, ceilings, or walls is one-fourth of an inch (1/4") in width.
Responsibility - The Builder will correct gaps exceeding the maximum tolerance to meet the Performance Standard.
3. **Possible Deficiency** - Cabinet doors or drawers bind.
Performance Standard - Cabinet doors and drawers shall open and close with reasonable ease.
Responsibility - The Builder will adjust or replace doors and drawers as necessary to meet the Performance Standard.
4. **Possible Deficiency** - Cabinet doors will not stay closed.
Performance Standard - The catches or closing mechanisms for cabinet doors shall be adequate to hold the doors in a closed position.
Responsibility - The Builder will adjust or replace the cabinet door catches or closing mechanisms as necessary to meet the Performance Standard.

X. Plumbing

A. Water Supply System

1. **Possible Deficiency** - Plumbing pipes freeze and burst.
Performance Standard - Drain, waste, vent and water pipes shall be adequately protected, as required



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by local code.

Responsibility - The Builder will correct pipes that do not meet local code requirements. It is the Purchaser's maintenance responsibility to drain or otherwise protect pipes, lines and exterior faucets from freezing temperatures. Builder is not responsible for damage caused by frozen pipes where Builder installed correctly and complied with local code.

B. Plumbing System

1. **Possible Deficiency** - Faucet or valve leak.

Performance Standard - No valve or faucet shall leak due to defects in workmanship or material.

Responsibility - Builder will repair or replace the leaking faucet or valve to meet the Performance Standard.

2. **Possible deficiency** - Defective plumbing fixtures, appliances or trim fittings.

Performance Standard - Plumbing fixtures, appliances or fittings shall comply with their manufacturer's standards.

Responsibility - The Builder will repair or replace any defective fixture, appliance or fitting which does not meet acceptable standards, as defined by the manufacturer.

3. **Possible Deficiency** - Noisy water pipes.

Performance Standard - There will be some noise emitting from the water pipe system, due to the flow of water, pipe expansion or contraction and is normal and not a deficiency. However, "water hammer" caused by improper installation shall be eliminated.

Responsibility - The Builder cannot remove all noises due to water flow and pipe expansion and contraction. The Builder will correct "water hammer" caused by improper installation.

4. **Possible Deficiency** - Cracking or chipping of porcelain or fiberglass surfaces.

Performance Standard - Chips and cracks on surfaces of bathtubs and kitchen sinks can occur when surface is hit with sharp or heavy objects.

Responsibility - The Builder will not be responsible for repairs unless damage has been reported to Builder prior to first occupancy or closing, whichever occurs first.

C. Water Supply

1. **Possible Deficiency** - Water supply system fails to deliver water.

Performance Standard - All on-site service connections to municipal water main and private water supply shall be the Builder's responsibility. Private systems shall be designed and installed in accordance with all approved building, plumbing and health codes.

Responsibility - The Builder will repair the water supply system, if the failure is the result of defective workmanship or materials. However, if conditions beyond the Builder's control disrupt or eliminate the sources of the supply, the Builder has no responsibility and no action is required.

D. Septic Tank System

1. **Possible Deficiency** - Septic system fails to operate properly.

Performance Standard - Septic system shall function adequately during all seasons, under normal or reasonably anticipated climatic conditions (based on local records) for the location of the home. Septic system shall be designed and installed to comply with applicable local health code requirements.

Responsibility - The Builder will repair or otherwise correct a malfunctioning or non-operating system, if the failure is caused by inadequate design, faulty installation, or other cause relating to actions of the Builder or contractors or subcontractors under the Builder's control. The Builder will not be responsible for system malfunction or damage that is a result of Purchaser's action and/or negligence, lack of system maintenance, or other causes attributable to actions of the Purchaser or Purchaser's contractors not under the control of the Builder; including, but not necessarily limited to: the addition of fixtures, items of equipment, appliances or other sources of waste or water to the plumbing system served by the septic system; and damage or changes to the septic system installation or surrounding soil conditions critical to



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the system's functioning.

E. Piping

1. **Possible Deficiency** - Leakage from any piping.

Performance Standard - No leaks of any kind shall exist in any soil, waste, vent or water pipe. Condensation on piping does not constitute leakage, and is not covered.

Responsibility - The Builder will make repairs to any pipes to eliminate leakage in conformance with the Performance Standard.

2. **Possible Deficiency** - Stopped up sewers, fixtures and drains.

Performance Standard - Sewers, fixtures and drains shall operate properly.

Responsibility - The Builder will not be responsible for sewer, fixtures and drains that are clogged as a result of Purchaser's action or negligence. If a problem occurs, the Purchaser should consult Builder for a proper course of action. Where defective construction is shown to be the cause, the Builder will assume the cost of the repair; where Purchaser action or negligence is shown to be the cause, the Purchaser shall assume all repair costs.

XI. Heating, Cooling and Ventilation

A. Heating

1. **Possible Deficiency** - Inadequate heating.

Performance Standard - Heating system should be able to maintain a temperature of seventy degrees (70°) degrees, measured at five feet (5') above the center of the floor, under local outdoor ASHRAE specifications. The Purchaser is responsible for minor adjustments such as balancing dampers and registers. On extremely cold days a five or six degree (5-6°) difference between the actual inside temperature and the thermostat setting is acceptable. The temperature in all rooms may vary by three to four degrees (3-4°). This is acceptable.

Responsibility - The Builder will correct systems that exceed the maximum tolerances to meet the Performance Standard.

B. Cooling

1. **Possible Deficiency** - Inadequate cooling.

Performance Standard - Where applicable the cooling system should be able to maintain a temperature of seventy-eight degrees (78°), measured five feet (5') above the center of the floor, under local outdoor ASHRAE specifications. The Purchaser is responsible for minor adjustments to the system, such as balancing dampers and registers. On a day when outside temperature is greater than ninety-five degrees (95°), a fifteen degree (15°) difference between the actual inside temperature and the thermostat setting is acceptable. The temperature in all rooms may vary by three or four degrees (3-4°), and such variance is acceptable.

Responsibility The Builder will correct the system to meet Performance Standard.

2. **Possible Deficiency** - Refrigerant lines leak.

Performance Standard - Refrigerant lines shall not develop leaks during normal operation.

Responsibility - The Builder will repair leaking refrigerant lines and re-charge unit, unless damage was caused by the Purchaser or Purchaser's negligence.

C. Condensation Lines

1. **Possible Deficiency** - Condensation lines clog up.

Performance Standard - None

Responsibility - The Builder shall provide unobstructed condensation lines at the time of first occupancy or close, whichever occurs first. Condensation lines will clog eventually under normal use and it is Purchaser's maintenance responsibility to avoid clogging of condensation lines.



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D. Air Distribution

1. **Possible Deficiency** - Noisy ductwork and oil canning.
Performance Standard - When metal is heated it expands and when cooled it contracts. The result is "ticking" or "crackling" which is generally to be expected.
Responsibility - No action required, noise is not a deficiency.

E. Ductwork

1. **Possible Deficiency** - Ductwork separates or becomes unattached.
Performance Standard - Ductwork shall remain intact and securely fastened.
Responsibility - The Builder will re-attach and secure all separated or unattached ductwork unless the defect was caused by actions of the Purchaser.

XII. Electrical

A. Electrical Conductors, Fuses and Circuit Breakers

1. **Possible Deficiency** - Fuses blow or circuit breakers (excluding ground fault interrupters) "kick out".
Performance Standard - Fuses and circuit breakers shall not activate under normal usage.
Responsibility - The Builder will check wiring circuits for conformity with local or electrical code requirements. The Builder will correct circuitry that does not conform to code specifications, unless changes have been made by the Purchaser.
Note - Ground fault interrupters are excluded from this warranty.

B. Outlets, Switches and Fixtures

1. **Possible Deficiency** - Drafts from electrical outlets, switches, or fixtures.
Performance Standard - Electrical junction boxes on exterior walls may produce air flow whereby the cold air can be drawn through the outlet into a room. The problem is normal in new home construction.
Responsibility - No action required.
2. **Possible Deficiency** - Malfunction of electrical outlets, switches or fixtures.
Performance Standard - All switches, fixtures and outlets shall operate as intended.
Responsibility - The Builder will repair or replace defective switches, fixtures and outlets.

C. Service and Distribution

1. **Possible Deficiency** - Ground fault interrupter trips frequently.
Performance Standard - Ground fault interrupters are sensitive safety devices installed into the electrical system to provide protection against electrical shock. These sensitive devices can be tripped very easily.
Responsibility - The Builder shall install ground fault interrupter in accordance with local electrical code. Tripping is to be expected and is not covered, unless it is determined that it is caused by a construction defect.

D. Wiring

1. **Possible Deficiency** - Failure of wiring to carry its designated load.
Performance Standard - Wiring should be capable of carrying the designated load for normal residential use.
Responsibility - The Builder will check wiring for conformity with local electrical code requirements. The Builder will repair wiring not conforming to code specifications.



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EXCLUSIONS FROM NEW HOME LIMITED WARRANTY

ITEMS THAT ARE NOT COVERED BY THIS WARRANTY

- A. Landscaping (including sodding, seeding, shrubs, trees, and planting); off-site improvements; or any other improvements not a part of the Residence itself.
- B. Any damage to the extent it is caused or made worse by
 - 1. Negligence, improper maintenance or improper operation by anyone other than the Builder, its employees, agents, vendors or subcontractors; or
 - 2. Changes in the grading of the ground by anyone other than the Builder, its employees, agents, vendors or subcontractors; or
 - 3. Changes, alterations or additions made to the Residence by anyone after the New Home Limited Warranty commencement date; or
 - 4. Failure by the Purchaser or by anyone other than the Builder, its employees agents, vendors or subcontractors to comply with the warranty requirements of manufacturers of appliances, fixtures and items of equipment; or
 - 5. Failure by the Purchaser to give notice to the Builder of any claimed defects within a reasonable time; or
 - 6. Dampness or condensation due to the failure of the Purchaser to maintain adequate ventilation.
- C. Normal wear and tear, normal deterioration, or Purchaser's failure to maintain the Residence.
- D. Loss or damage caused by or resulting from accidents, riot and civil commotion, fire, explosion, smoke, water escape, falling objects, aircraft, vehicles, Acts of God, lightning, windstorm, hail, flood, mudslide, earthquake, volcanic eruption, wind-driven water, underground water or other events which were not reasonably foreseeable.
- E. Loss or damage caused by rotting of any kind, insect damage, vermin, living organisms, radiation, pollution, or toxic substances of any kind.
- F. Loss or damage that arises while the Residence is being used primarily for nonresidential purposes.
- G. Any condition which does not result in actual physical damage to the Residence, including, but not limited to: uninhabitableness 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.
- H. Loss or damage caused by or resulting from abnormal loading on floors or in attic spaces by the Purchaser that exceeds design loads as mandated by building codes.
- I. Exterior concrete such as walks, drives, and patios, except for scaling and structural failure causing movements of sections of three-fourths of an inch (3/4") vertically, from one section to the next.
- J. Loss or damage, which the Purchaser has not taken timely action to minimize.
- K. Any defect in, caused by, or resulting from materials or work supplied by anyone other than the Builder, its employees, agents, vendors or subcontractors.
- L. Loss or damage, not otherwise excluded under this New Home Limited Warranty, which does not constitute a defect in the construction of the Residence by the Builder, its employees, agents, vendors or subcontractors.
- M. Loss or damage caused by or resulting from soil movement.
- N. Bodily injury or damage to personal property.
- O. Costs of shelter, transportation, food, moving, storage, or other incidental expenses related to inconvenience or relocation during repairs.



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- P. Consequential damages (except where required by state law).
- Q. Any defect pertaining to solid surface countertops is not covered by this One Year New Home Limited Warranty. The Purchaser should refer to the manufacturer's warranty on all solid surface countertops. The Builder is not required to take any action after the date of occupancy or date of close, whichever occurs first.
- R. Natural wood imperfections.
- S. Color variations in natural products.
- T. Color variations or discontinuations in any manufactured products
- U. Gloss or semi-gloss wall finishes.
- V. Any materials or fixtures added to brick, including but not limited to paint, slurry, or other brick coatings.
- W. Any conditions which are required or result from compliance with local building codes or ordinances.
- X. Appliances and equipment included in the Residence are not warranted under this One Year New Home Limited Warranty, but may be covered by separate warranties provided by the manufacturer. Any such warranty is passed on to the Purchaser at the time this One Year New Home Limited Warranty goes into effect.
- Y. Any warranty claim submitted to the Builder after an unreasonable delay or in any case later than the expiration of the limited warranty period.
- Z. Synthetic stucco
- AA. Mahogany doors.

EXHIBIT C



Homebuyer: Pereira Joe Periera
 Home Phone: _____
 Mobile Phone: 206-406-5033
 Email address: pereira15@hotmail.com

Homebuyer: Pereira Julie Periera
 Home Phone: _____
 Mobile Phone: 425-280-7310
 Email Address: juliedelgado816@gmail.com

Subdivision: Winstead Farms
 Builder: Jay Worley

Lot #: 6 Address: 5055 Adagio Ln.
 Permit: B1116613

	<u>Date</u>	<u>Customer's Signature</u>	<u>Builder's Signature</u>
Preconstruction Meeting <ul style="list-style-type: none"> • Floorplans • Structural options/major upgrades • Plot plan for lot • Property lines • Trees on lot • A/C pad location • Discuss home inspections <p>**Customer understands plans and site plans may differ from actual construction. Customer also understands plans and site plans may differ per lot and subdivision, including, but not limited to, flatwork, landscape, sidewalks, etc.</p>	<u>08/18/2020</u>		
Customer Signed Plot Plan	<u>08/18/2020</u>		
Pre-sheetrock Meeting <ul style="list-style-type: none"> • Low voltage (outlets, phone, cable) • Extra electrical 	<u>01/06/2021</u>		
Punch List Meeting <ul style="list-style-type: none"> • If home inspection is done, it must be submitted at this time. 	<u>04/12/2021</u>		
Final	<u>06/01/2021</u>		



Walk Through Agreement

LOT NUMBER: WIF 6

DAYTIME PHONE: _____

HOME BUYER: JOE & JULIE PEREIRA

MOBILE PHONE: 206-406-5033
425-280-7310

Congratulations on the purchase of your new Regency Home! The following points provide an understanding of Homeowner/Builder responsibilities. Any exceptions to this agreement should be itemized in writing on the Walk Thru List provided.

1. I have examined the outside paint or stain and find it acceptable. I understand the Regency Homebuilders is not responsible for any additional coats of paint on the interior or exterior of my home.
2. I understand that it is my responsibility to maintain the finish on the exterior doors.
3. I have examined the exterior finishes (brick and siding) finding them acceptable.
4. I understand that it is normal for a house to settle. Slight cracks in mortar joints, tile, and/or concrete are to be expected and are not warranted.
5. I understand that the grading, sodding, and landscaping have been installed and are presently alive. I further understand that this is a new yard and may require additional grading, sodding, or shrub replacement if not watered and maintained BY HOMEOWNER. Utility trenches will be filled (1) one time by Regency Homebuilders.
6. I understand that all water pipes have been insulated and that frozen water pipes are not Regency Homebuilders responsibility.
7. I understand that if a roof leak occurs, I am to contact the Warranty Department as soon as possible to have a Roofing Contractor come and inspect at my home.
8. I understand that no work is to be done on the home prior to closing (with the exception of Sweat Equity items) and if any wiring is moved in any way after closing the wiring warranty is null and void.
9. I understand that no furniture is to be moved into the home before closing. Regency Homebuilders is not responsible for any damage or theft of property of homeowner's items moved into the home before closing.
10. I understand that Regency Homebuilders is responsible for any sewer drain back up due to defective construction for the first 1 year. Any other blockage will be warranted for the first 45 days. Any blockage after 45 days will be the Homeowner's responsibility.
11. I understand that it is my responsibility to sign up for utilities so as to avoid disruption in service. I will be responsible for utility costs from closing until the services are transferred to my name.
12. I have examined all interior trim work, including doors, cabinets, glass and screens, and find them all acceptable, except as noted on the Walk Thru list.
13. I understand that all wood products will expand and contract due to moisture and temperature. This means that doors might need to be adjusted and trim might separate slightly at joints.
14. I understand that nail pops, drywall cracks, drywall seams, and cracks in the trim and crown molding can possibly occur due to expansion and contraction.

WIF & PEREIRA

15. We, the undersigned Buyer(s) acknowledge and certify that no oral promise and/or promises have been made or implied to us by the sales representative, or anyone with Regency Homebuilders, to induce to consummate this purchase.

16. I understand that no additional "cosmetic repairs" are to be done after the completion of the Walk Thru list, and that the only Non-Warranty items that will be addressed will be those in writing along with a Regency Homebuilders Representative's signature.

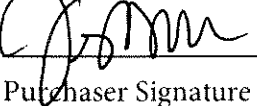
17. It has been explained to us that by signing this form, we are accepting the home, and have a Limited One Year Home Warranty. Warranty tickets should only be submitted if the issue falls under the Regency Homebuilder's Warranty policy. Please refer to your warranty paperwork should you have any questions.

- ✓1. INSTALL VENT HOOD
- ✓2. INSTALL BACKPLASH
- ✓3. INSTALL APPLIANCES
- ✓4. INSTALL FLATWORK & ODL KITCHEN
- ✓5. FIREPLACE LOGS
- ✓6. GLASS FOR UPPER CABINETS & MISSING HANDLES
- ✓7. REMOVE WIRE SHELVES PER CONTRACT
- ✓8. STAIR TREAD LIGHTS, RC OVER TUB, D/D BREAKER TRIPPING, MISSING 4 FAN REMOTES
- ✓9. Adjust foot locker doors, & FRONT DOOR
- ✓10. Check cabinet crown joints kitchen.
- ✓11. Adjust pendants to face same direction.
- ✓12. Trim barn doors and add roller guides. Also adjust front door closure.
- ✓13. ADJUST LOOSE GRILLES/REGISTERS
- ✓14. DENTED DISHWASHER PANEL - ON ORDER
- ✓15. 2 GAPS IN FLOORING
- ✓16. CORNER BOARD REPAIR @ DOOR
- ✓17. GARAGE DOOR INSTALL
- ✓18. SCRATCHED WINDOW FRAME - EXTERIOR
- ✓19. 1X2 OVER FRONT GABLE
- ✓20. INSTALL A/C UNITS
- ✓21. POINT UP BRICK

TO BE SIGNED AT PUNCH LIST MEETING:

I/We have completed our Punch List Meeting. With the exception of the uncompleted items listed above, I/We agree that the home is complete and acceptable. I/We have read the above statements and agree to all terms of the stated agreement.

Purchaser Signature



Purchaser Signature

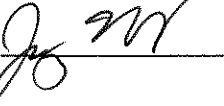
Date

7/7/21

Date

- ✓22) 4 HANDLES FOR ODL
- ✓23) 1 SCREW MISSING IN TREAD LIGHT
- ✓24) GROUT BATH 3 @ TUB
- ✓25) hole at light above tub.

Builder Signature



Date

04/12/2021

EXHIBIT D

May 22, 2021

Ms. Julie Pereira
Juliedelgado816@gmail.com

Re: 5055 Adagio, Arlington, TN

Dear Ms. Pereira:

It was requested that our firm inspect the referenced property on 05/20/2021 where the house was built on some backfill at the rear of the residence.

The purpose for our inspection was to evaluate the foundation and determine if there are any signs of settlement or structural concerns.

All directions in this report are referenced as facing the front entrance from Adagio. (See photo 1)

Inspection observations

- Approximately three-four feet of backfill was placed on the rear of the lot. (See photos 2 and 3)
- The downspouts are depositing water adjacent to the footing. (See photos 4 and 5) There has not been any damage from the minor erosion, but we do recommend attaching the downspouts to a sub-surface drain with a pop-up valve that will divert water away from the foundation. Once sod is established on the lot, the soil erosion will be mitigated.
- The roof framing was installed correctly with hurricane clips and wind braces at 48" o.c. (See photo 6)
- We observed some minor blemishes on the sheetrock walls that will need some cosmetic repairs. There were no stress cracks observed in the walls or ceilings.
- All of the doors were square in their frames and operated correctly.
- There were no cracks observed in the tile floors that would indicate foundation settlement has occurred.

Conclusion

It is our opinion that the referenced residence is structurally sound and there was no evidence of any foundation settlement.

This report is based on our visual inspection of the accessible areas around the residence. No geotechnical or destructive testing was performed or requested for this report.

If there are any questions regarding this report please contact our firm

Sincerely,

Kevin M. Poe, TN P.E. # 19211
Presidence, Poe Engineering, Inc.





Photo 1



Photo 2



Photo 3



Photo 4



Photo 5

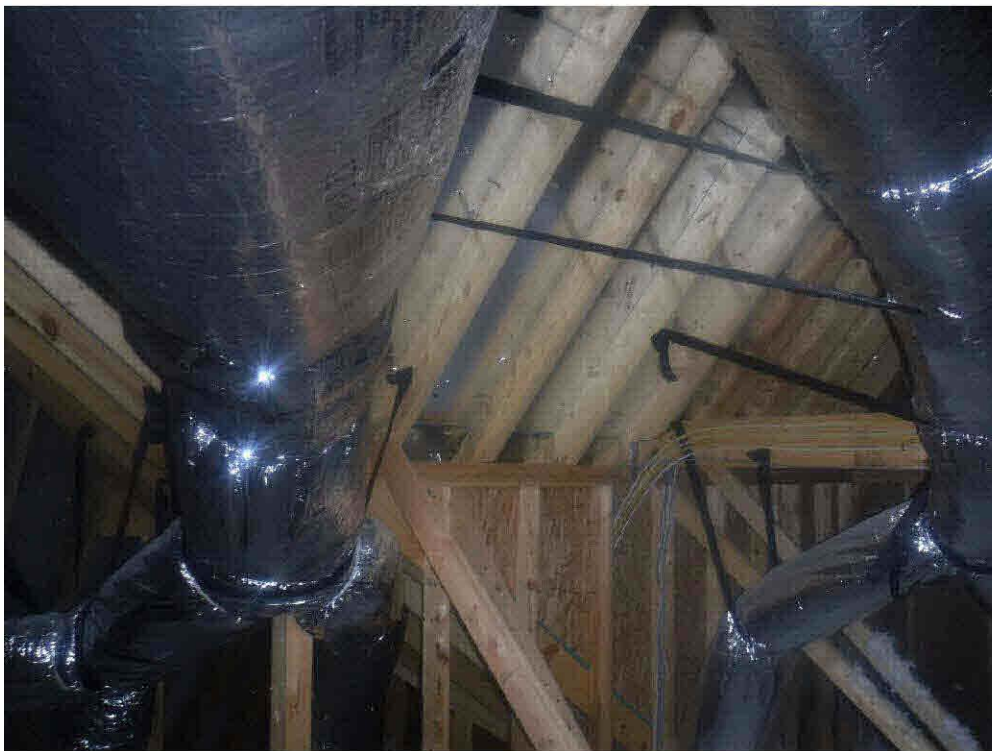


Photo 6

EXHIBIT E

Brough & Stephens, Inc.

CONSULTING ENGINEERS - STRUCTURAL
5050 POPLAR AVENUE, SUITE 1020 MEMPHIS, TN 38157-1020
PHONE (901) 684-1112 FAX (901) 684-1114
E-mail broughands@aol.com

November 22, 2021

Julie Pereira
5055 Adagio Lane
Lakeland, TN 38134

Re: Job #21-679 5055 Adagio Lane

I made an inspection at the above referenced address on November 18, 2021. This was a single family residence first occupied in June of 2021 (photo 1). The foundation was poured in October of 2020.

During my inspection, the following was observed:

- 1) The house was built-up on a pad, approximately 4'-0" above the natural grade. In the backyard, the grade sloped down to each side and to the rear. On the left side the built-up pad sloped down to a drain swale at the fence line (photo 2). The swale sloped down towards the rear corner (photo 3). At the corner, a high area diverted the water along the rear fence line to the rear right corner (photo 4). At the time of my inspection, there was standing water in the swale along the left fence line (photos 5 & 6). The wet areas extended across approximately the left half of the rear fence line. The swale has inadequate slope to drain the water.

At the left side of the house the ground was wet adjacent to the air units, but no standing water (photo 7). On the right side of the house the grade sloped away from the house. The ground was damp due to the shade from the house (photo 8), but no standing water was observed along this side.

There were no indications of any foundation settlement that would require structural repairs.

To properly drain the water an underground French drain is recommended. A perforated pipe set in gravel for drainage is recommended. A series of drain inlets should be added to collect the surface water. The inlets should start at the air units, with a minimum of (4) inlets across the left side of the yard. A minimum of (2) additional inlets should be placed across the rear of the yard.

The drain line would need to discharge at the right rear of the property. This was the original natural flow of the water. Based on a contour map from the Shelby County Register (Sh #A-1), the water flows to a drain creek to the rear of the property. When the area to the rear of this property is developed, the water flow from this lot would need to be incorporated into the drainage plan

November 22, 2021

Julie Pereira

Job #21-679 5055 Adagio Lane

Page 2

- 2) At the rear of the house a patio was partially covered by the roof (see photos 4). It is my understanding that the original slab was broken out to repair a gas line. A new stamped topping slab was poured over the original concrete.

There were cracks in the floor slab. The cracks started near corners at the rear wall of the house (photos 9 & 10). There were no signs of settlement of the house or exterior patio. The cracks appeared to be normal expansion/contraction cracks. These are cosmetic issues, not requiring structural repairs.

Kitchen Floors

In the kitchen, there were some areas of voids under the laminate flooring (photos 11 & 12). The original floor had been repaired soon after the house was occupied due to a leak in the dishwasher.

The voids could be due to slight uneven areas of the slab. Another possible cause is not enough space for expansion around the walls and cabinets. There were no indications of slab or foundation settlement as a cause of the voids.

Floors at the right side of the house

During construction of the house, two trees were removed at the right side of the property. There did not appear to be any foundation or slab problems due to the tree removal.

Some voids in the laminate floor similar to those observed in the kitchen were present. These did not appear to be related to structural problems with the foundation.

Based on my observations of November 18, it is my professional opinion that the drainage issues at the left and rear of the house need to be corrected. The cracks in the patio slab and the flooring issues should be monitored for any future movement.

Only the above noted items were a part of this inspection. Opinions and recommendations are based on conditions at the time they were observed. If you have any questions, give me a call.

Sincerely,

BROUGH & STEPHENS, INC.

Michael E. Stephens, PE
Tennessee PE #022681

MES:lr





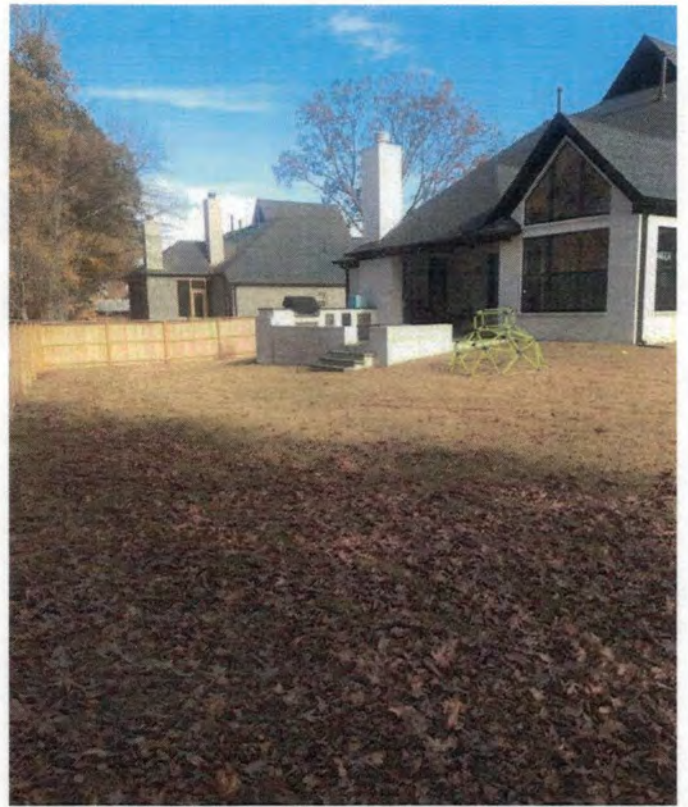
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12


A-1

Tools Help

Register Of Deeds x + Open a new tab (Ctrl+T)


https://gis.register.shelby.tn.us/?parcelid=L015QA F00006

Home About Contact FEMA ReGIS- Select Language



Shelandra Y. Ford

Shelby County Register of Deeds

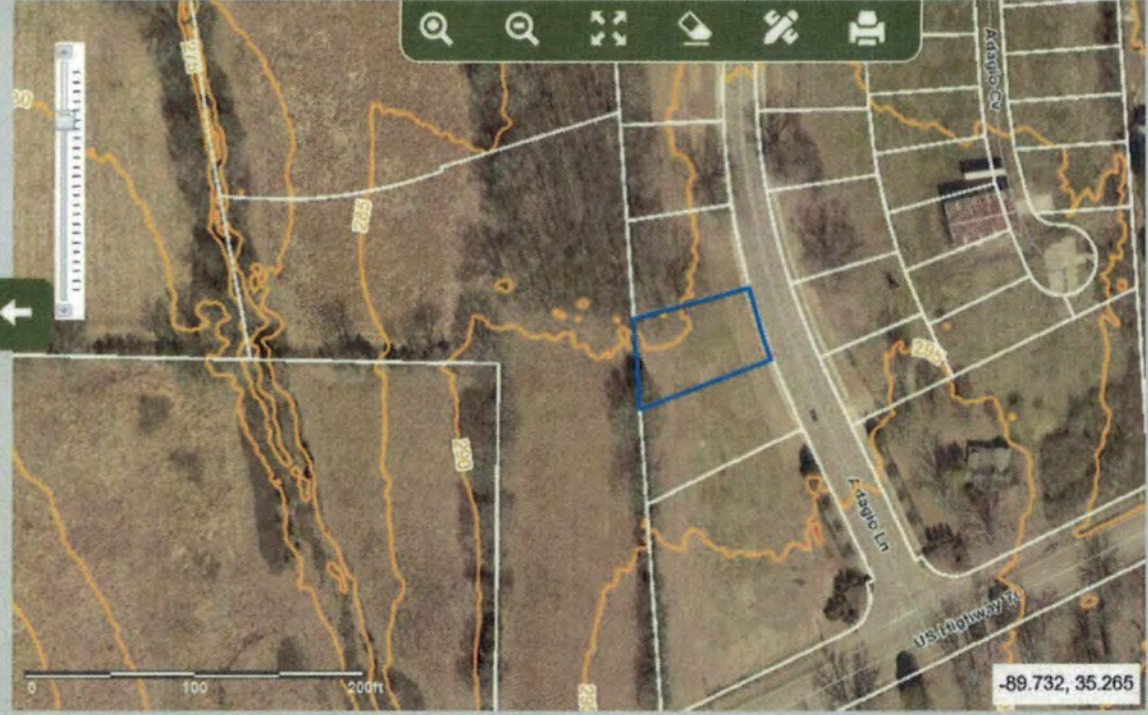


Sublayers Legend

Shelby County

Historic Aerials

- 2020 Aerial
- 2018 Aerial
- 2017 Aerial
- 2015 Aerial
- 2013 Aerial
- 2012 Aerial
- 2010 Aerial
- 2008 Aerial
- 1990 Aerial
- 1981 Aerial



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EXHIBIT F

February 17, 2022

Todd Roaten
New Regency Homes
Todd.roaten@newregencyhomes.com

Re: Plumbing trench repair, 5055 Adagio, Arlington, TN

Dear Mr. Roaten:

It was requested that our firm inspect the plumbing trench repair for the referenced property on 02/14/2022 where the concrete slab was recently cut to access repairs to the sewer line.

The purpose for our inspection was to evaluate the repairs and determine if they have been properly completed.

Inspection observations

- A trench was cut in the slab at the hallway adjacent to the kitchen and family room area. The trench was backfilled with flowable fill material to a height of 4" below existing slab. The new slab was reinforced with #4 rebar. (See Photo)
- Where a column load was located, the trench under the column was undermined and flowable fill installed to a height of 4" below the existing slab. The area below the slab was reinforced with #4 rebar and concrete was vibrated into the void to ensure all voids were filled.

Conclusion

It is our opinion that the plumbing trench has been properly backfilled and reinforced with rebar and concrete. The repaired slab is structurally sound.

This report is based on our visual inspection of the accessible areas around the residence. No geotechnical or destructive testing was performed or requested for this report.

If there are any questions regarding this report, please contact our firm.

Sincerely,

Kevin M. Poe, TN P.E. # 19211
President, Poe Engineering, Inc.



02/17/22



Photo

EXHIBIT G



Poe Engineering, Inc.

PO Box 316, Walnut, MS 38683
(901) 262-2548

February 21, 2022

Todd Roaten
New Regency Homes
Todd.roaten@newregencyhomes.com

Re: 5055 Adagio, Arlington, TN

Dear Mr. Roaten:

It was requested that our firm inspect the referenced property on 02/17/2022 where the concrete slab was recently cut to access repairs to the sewer line.

The purpose for our inspection was to evaluate the foundation and determine if there are any signs of settlement or structural concerns.

All directions in this report are referenced as facing the front entrance from Adagio. (See photo 1)

Inspection observations

- A trench was cut in the slab at the front entrance and entry hallway. (See photo 2) The trench was backfilled with soil and flowable fill and new concrete was installed prior to this inspection.
- We observed hairline cracks in the concrete slab around the front entrance. (See photo 3)
- Slab elevations were taken on either side of the entrance and down the hallway toward the stairs. (See photos 4-8) The elevations varied from (0.0) on the right side of the entrance to (-0.2) on the left side of the dining room. The small fluctuations in elevation are within the allowable tolerance per Code and do not indicate there has been any foundation settlement.
- The small separations between the stair treads and the trim (See photo 9) and the unevenness in the playroom door frame (See photo 10) were caused by minor deflection in the garage framing that supports the playroom. (See photo 11) The deflection is common and does not indicate that there has been any structural failure in the framing.
- We observed cracks in the stamped concrete patio where the concrete was poured over the original concrete slab. (See photo 12) The patio slab is supported independently from the house foundation and is not a structural concrete. We would recommend filling the crack with epoxy to prevent water intrusion.
- We did not observe any significant cracks in the sheetrock walls or ceilings.

Conclusion

It is our opinion that the referenced residence is structurally sound and there was no evidence of any foundation settlement.

This report is based on our visual inspection of the accessible areas around the residence. No geotechnical or destructive testing was performed or requested for this report.

If there are any questions regarding this report, please contact our firm.

Sincerely,

Kevin M. Poe, TN P.E. # 19211
President, Poe Engineering, Inc.



02/21/22



Photo 1



Photo 2



Photo 3



Photo 4

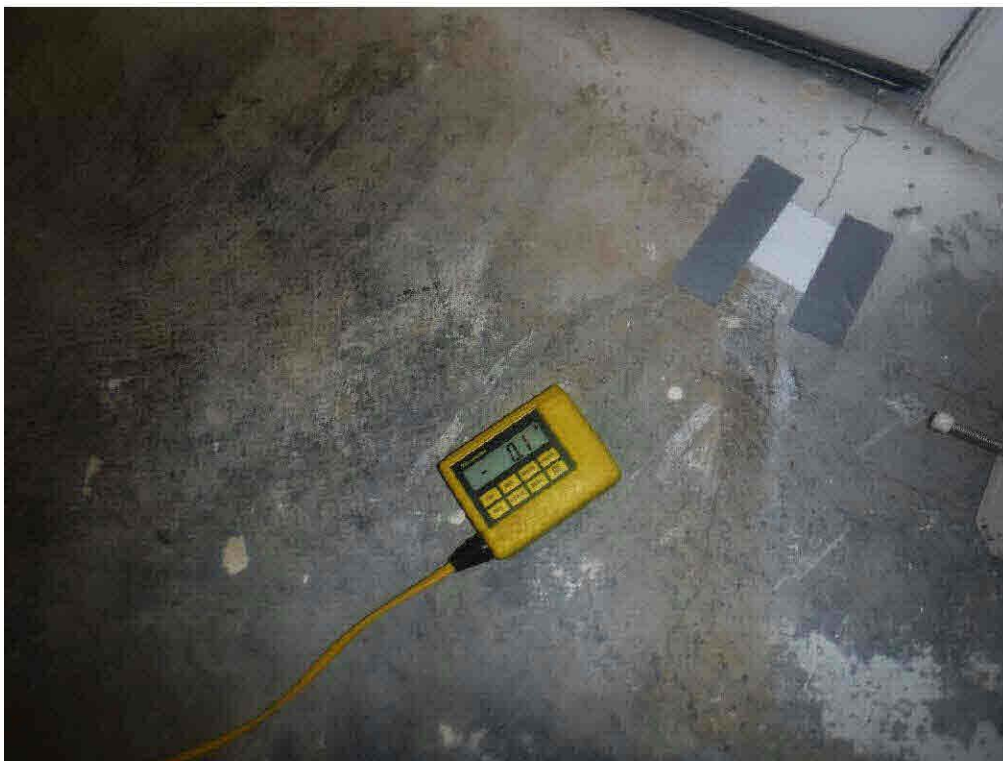


Photo 5



Photo 6



Photo 7



Photo 8

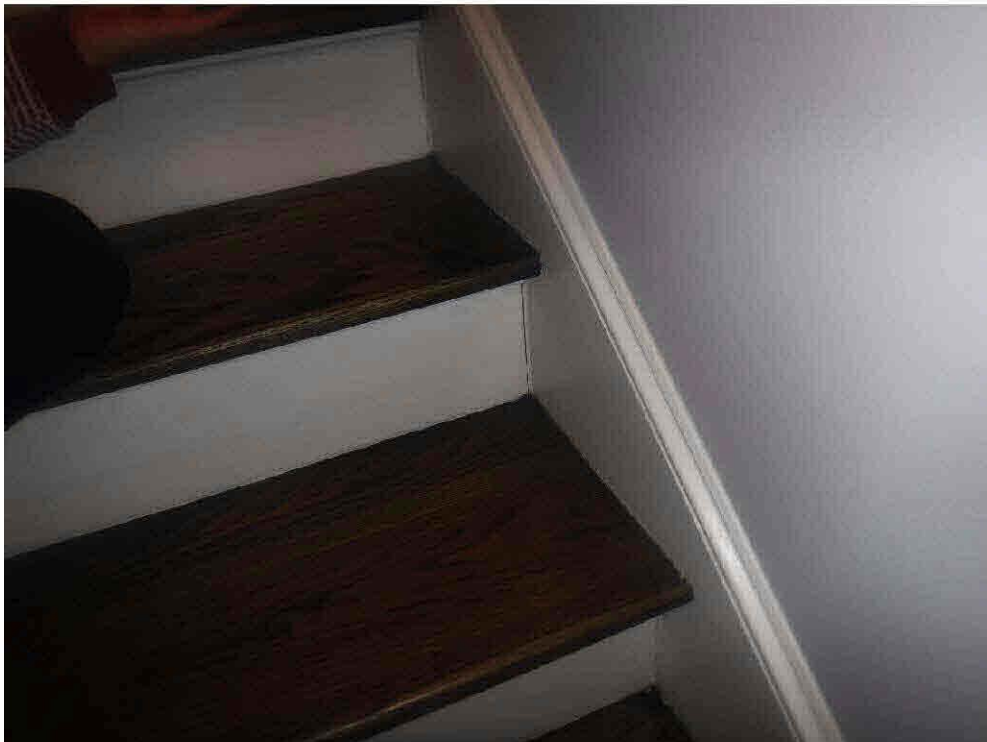


Photo 9



Photo 10

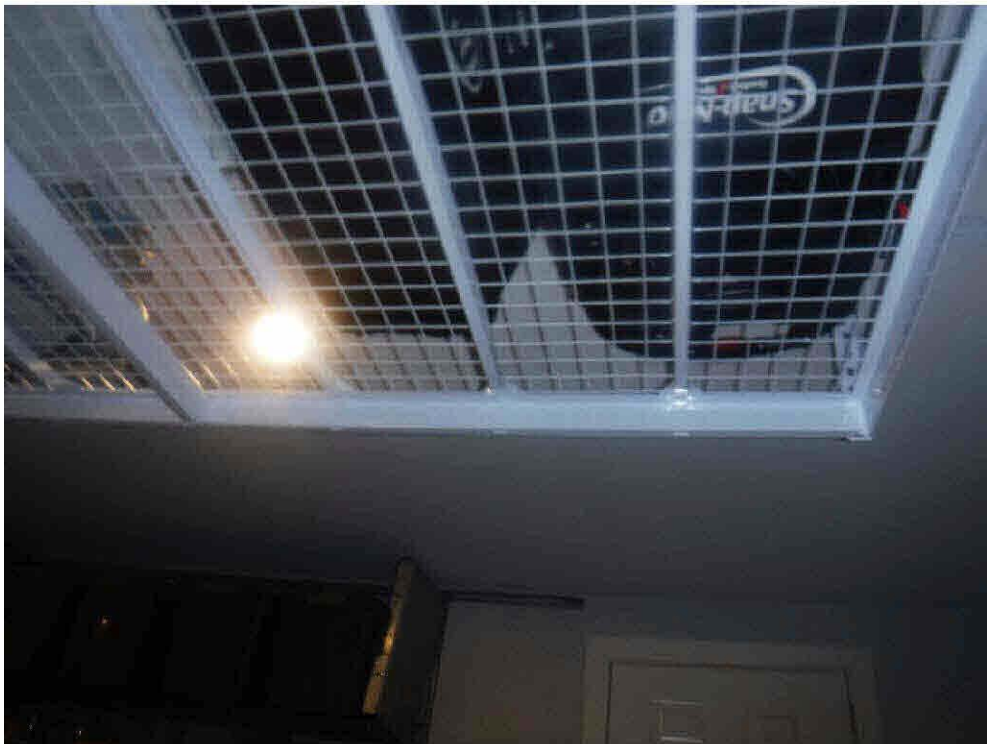


Photo 11



Photo 12

EXHIBIT H

Search Results

in Moms of Lakeland & Arlington (Memphis Mom Collective Community Group)

Q julie pereira

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- Tagged Location ▼
- Date Posted ▼



Julie Pereira

June 8, 2021 · 🌐



This is a major brag session for our realtor [Meleah Thurmond-Edwards](#)

We started this home buying journey by contracting in March 2020 after relocating to here from from Seattle WA.

Meleah was so involved in this new build process and really advocated for our best interests. Several times the Builder suggested we could close and put a bunch of things on an addendum to be completed after closing.

Truth be told, after almost a year of waiting for us to complete our build, I would not have had any problem with our agent advising us to agree to do that (it's not unusual at all). But Meleah was much more interested in making sure that we got what we paid for out of this house before we closed, than she was in closing so she could get her commission. That really spoke volumes to me about how her priorities are truly her clients best interest.

She fielded late night panic texts, questions and complaints from me and was always very responsive. She even became a therapist of sorts when we ran into some major issues with the builder. 🤔🤔🤔 She came to every meeting, every appointment and the private inspection as well as our closing. It was also very helpful that she comes from a family of builders so she was able to educate and empower us as well as point out issues other realtors would have missed about the building process.

We FINALLY closed last week- It has been one very exhausting, stressful and less than joyful journey- but having a good agent in our corner advocating for us made a world of difference.

If you're in the market for a realtor I highly recommend Meleah.



Search Results

in Moms of Lakeland & Arlington (Memphis Mom Collective Community Group)

Q julie pereira

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Most Recent



Posted By



Tagged Location



Date Posted



Julie Pereira

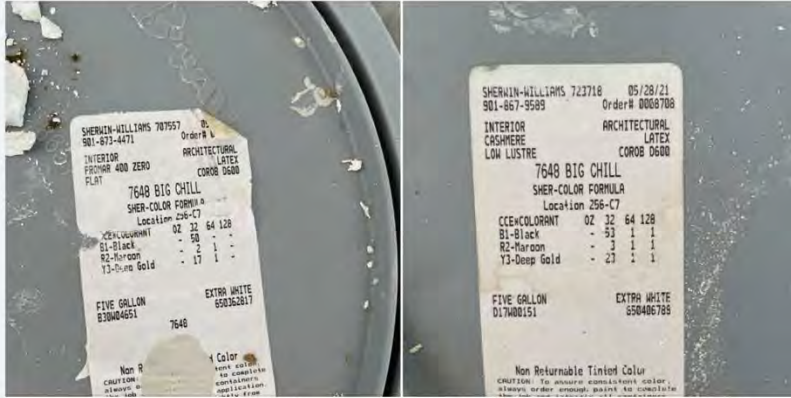
June 13, 2021 · 🌐



Among the 30+ major things wrong with our brand new home- Regency painted half our walls flat and half eggshell 😞😞😞 and EVEN MIXED THEM ON THE SAME WALL.

Desperate for a painter to tomorrow or Tuesday who can come fix this wall in our master bath before we have our mirrors hung Wednesday.

Anyone have recommendations? Thank you.



half of it.

Like

Comment



Julie Pereira

September 24, 2021 · 🌐



I quit 😭



👍 😭 😭 8

4 Comments

👍 Like

🔗 Share



View 1 more comment



Julie Pereira

September 27, 2021 · 🌐



And just like that the camels back broke.

4:31



From: J P [mailto:juliedelgado816@gmail.com]

Sent: Monday, September 27, 2021 2:46 PM

To: Elizabeth Barzizza <Elizabeth.Barzizza@newregencyhomes.com>

Cc: Meagan Millican <meagan@prostonellc.com>; Todd Roaten <Todd.Roaten@newregencyhomes.com>; pereira15 <pereira15@hotmail.com>

Subject: Re: Status for tomorrow

Electrical never came this morning but



Elizabeth Barzizza 4:04 PM

to me, Meagan, Todd, pereira15



Hey Julie!

I called Otto and they said that they had it scheduled for first thing tomorrow morning. So someone will be there at 9:30 am tomorrow.

So sorry for the mix up.

Elizabeth Barzizza Warranty

16



me 4:09 PM

to Elizabeth, Meagan, Todd, per...



Thank you Elizabeth but nobody is coming to our house tomorrow. I cannot take anymore time off work to facilitate this disaster.

This will have to be done on Wednesday and the flooring and fridge freezer pushed later on Wednesday or moved to Thursday.

Thank you,

Julie

On Mon, Sep 27, 2021 at 4:04 PM Elizabeth

Hey Julie,

Plumbing and electrical are both scheduled for Monday to finish. Electrical in the morning, plumbing in the afternoon.

Hardwood does not go under the fridge so we



12

10 Comments

🤔 12

10 Comments

👍 Like

➦ Share



Luna S Virrueta Briones

Wow

Like 19w



Lee Gillette

Hardwood goes under the fridge...

Like 19w



Julie Pereira

Lee Gillette yep!

Like 19w



Tina Butler

This is just fucked up!!!! Hopefully they're taking \$\$\$\$\$ off

Like 19w



Regi Lee Bryant

Julie Pereira how about a vacation and some therapy?!

Like 19w



Lindsay Bagley

What a disaster. Why are they not putting flooring under your fridge? It needs to go there... 🤔

Like 19w



Julie Pereira

Lindsay Bagley they are now. But that was a "what the hell" moment for sure!

Why am I the unpaid foreman since June is what I want to know...

Like 19w



Bethany Dawn Jury

Geezus

Like 19w



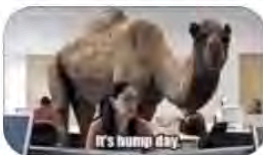
David Taylor

There should be hardwood under the fridge...how are you going to pull it out if you need to get it fixed?

Like 19w



Jake Gift



Like 19w



Search Results

in Moms of Lakeland & Arlington (Memphis Mom Collective Community Group)

🔍 julie pereira

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Julie Pereira
October 15, 2021 · 🌐

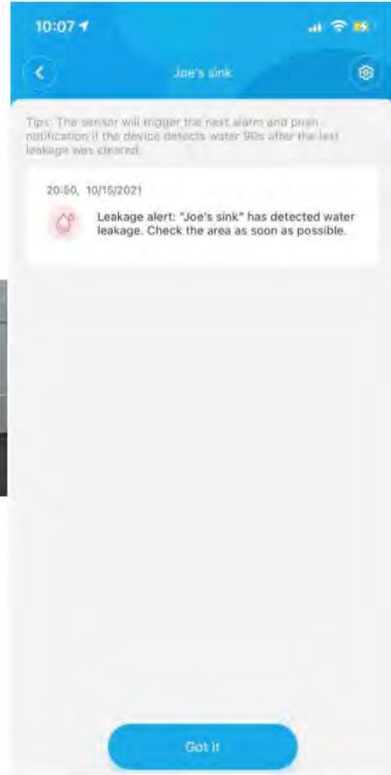


Soooooooo.... I'm in search of a priest at this point. This house needs to be blessed. Or saged. Or SOMETHING. Maybe an attorney while we're at it.

But for real, anyone know a priest we can call. Not a single thing has gone right since they broke ground... I am exhausted.

We STILL don't have our kitchen complete from the JUNE flood caused by the builder, and now this. Send help. 😞

Also if anyone's in the market for water alarms- I can officially HIGHLY recommend these 😊



👍👍 2

2 Comments

11:45 ↶



⏪ 🔍 julie pereira in Moms...

⚙️ Filters Posts You've Seen Most Rec



Moms of Lakeland & Arlington ...
(Memphis Mom Collective Community Group)

🗨️ Group post by Julie Pereira ·
October 26 at 10:33 PM · 👤

Looking for sometime to come do a reading/communication at our house. Some sage... something???

My daughter swears she hears footsteps.
We keep having issues with/in our brand new house.

And strange/unexplainable things keep occurring.

I am willing to try anything at this point.

Thanks!

Just 1 example of the weird things 🙌🙌
🙌

9:55

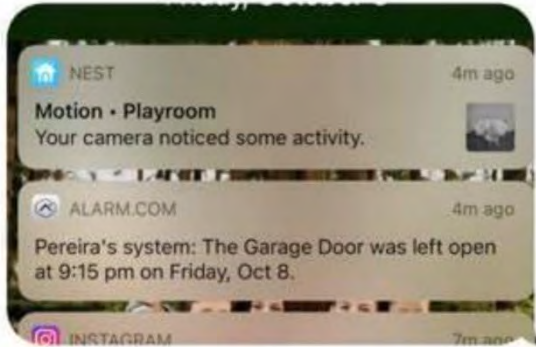


Hubby 🧑🏻👤❤️ (ICE) >

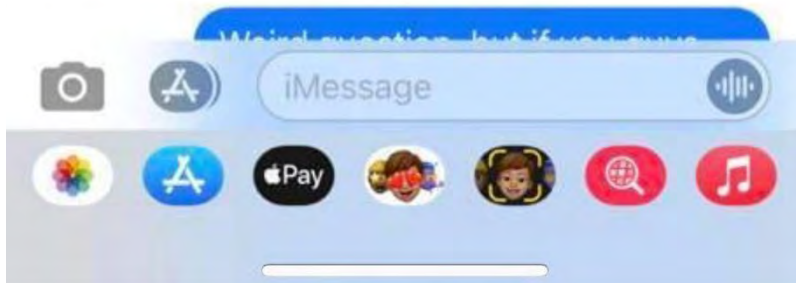
Fri, Oct 8, 9:22 PM

So I got this notification that the garage door was left open. But we are all on the couch and have been for like 20 minutes. Then the bathroom fan turned off and the light turned on. Then the playroom camera gave a notification.

I wonder what ghost is wandering our halls tonight.



I got the garage notification



Search Results

in Moms of Lakeland & Arlington (Memphis Mom Collective Community Group)

🔍 julie pereira

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Posted By



Tagged Location



Date Posted



Julie Pereira

December 9, 2021



We need to replace all our floors on the 1st floor in our new house. 😞😞😞😞😞

Looking for flooring company recommendations

👍 1

3 Comments



All comments



Buffy Morris

Danny Benard with Mid-South Flooring.

<https://www.facebook.com/Mid-South-Flooring-LLC-555201261481338/>



Mid South Flooring LLC

Carpet & Flooring Store

Memphis, TN

Like Reply 9w Edited



Julie Pereira

Buffy Morris thank you!

Like Reply 9w



Mel Williams Timberlake

Jose Perez is very talented and professional

Like Reply 8w



Write an answer...





Julie Pereira

January 21 at 8:50 PM · 🌐

So about that toilet issue that I was told wasn't covered under our warranty....

That's ~16 feet of water in a pipe. Under our concrete slab 🤯

Wanna know how they get to it?



1:15 / 1:15

🤔😱😬 25

21 Comments

😞😞😞 25

21 Comments

👍 Like

➦ Share



Lee Gillette

You should file with the county, city or state, these things shouldn't have been passed in inspection and not covered by warranty. These are why codes are implemented.

Like 2w



Tiarrah Rintamaki

I've gotta go back and update myself. ... 😞

Like 2w



Cara Andrew

Nooooooooo 🍷 1

Like 2w



Julie Spencer

Holy "Shit" Julesso awful, sending positive vibes your way, looks like this is not going to be a fun ride ahead. Pulling for you all. xoxo

Like 2w



Lindsay NcCorchuk

Do they have to pull up your floors ?

Like 2w



Julie Pereira

Lindsay NcCorchuk we are on a concrete slab... they have to completely cut into our FOUNDATION

And that wall there that the blue tape borders- that's a structural wall...

Like 2w



Lindsay NcCorchuk

Julie Pereira Jesus! Will they have to put you up somewhere to live ?

Like 2w



Julie Pereira

Lindsay NcCorchuk not sure.

Like 2w

Like 2w



Rebecca Crane

Maybe you guys should get a lawyer at this point? Does lemon law apply to housing? Just a thought. If so call your attorney general or maybe your local news station with all the problems you guys have had. Put the builder on blast 🙄



Like 2w



Blayne Banks

Is this a DR Horton house or a subsidiary of them? This is a big news story goin around....

Like 2w



Julie Pereira

Blayne Banks no it's not.



Like 2w



Blayne Banks

[https://lagniappemobile.com/lawsuit-claims-dr-horton.../...](https://lagniappemobile.com/lawsuit-claims-dr-horton.../)



LAGNIAPPEMOBILE.COM

Lawsuit claims DR Horton homes not built to 'fortified' standards



Like 2w



David Plienis

No freaking way! Unbelievable, no body should ever have to go through what You are going through! I'm so sorry Julie!

Like 2w



Andrea Carvalho

This is absolutely insane!!!! I am so so sorry!!!!!

Like 2w



Jackie Atendido Paule

Wtf???

Like 2w



Kevin Foster

So obviously it looks like who ever laid the pipe went up grade instead of down. That should fall under the house warranty. I would have 2 more experts come in to confirm and work with all 3 to supply the evidence...so sorry your family is going through this

Like 2w



Michelle Howell

That us absolutely absurd!!! I'm SO sorry. I can't even imagine the stress of all that.

Like 2w



Megan Sather

Who was the builder? We're looking into buying, I want to avoid this builder....

Like 2w



Al Paulino

That's nuts Cuz

Like 2w



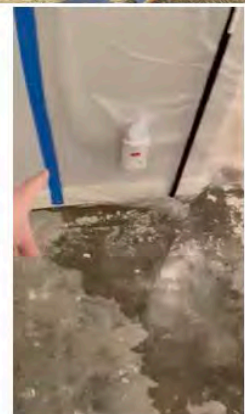
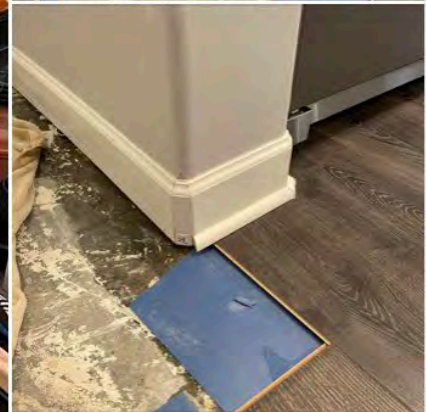


Julie Pereira

January 31 at 10:11 PM · 🌐



Make it fucking stop... I can't even believe this is real right now...



🤔🙄😡 25

9 Comments 1 Share

😞😞😞 25

9 Comments 1 Share

👍 Like

➦ Share



Sarah Lynn Bailey

I'm so sorry you are going through all this. What a fucking nightmare!

Like 1w



Alex Cunningham

Oh my god! 😞

Like 1w



Bree Kressly

Nooooo

Like 1w



Candice Buckman

Bless your heart! Take them alllll the wayyyy to court!
This is ridiculous! What a nightmare for y'all! Praying for your sanity I know your exploding inside. Just pray pray pray for strength to get through it.

Like 1w



Maria Estrada

Sis y'all need to lawyer yourself and SUE this builder because this is ridiculous

Like 1w



Luna S Virrueta Briones

They owe you a new house.

Like 1w



Al Paulino

Wow, Cuz that's nuts .. I hope things will play out .. a lot better

Like 1w



Aide Isabel

No way! I'm perplexed as to how they thought it was okay to sell a new house with so many issues. Praying..

Like 1w



Julie Pereira

Aide Isabel we asked to cancel the contract at the end of May, because we were concerned about precisely this kind of stuff after all the building errors made and the craftsmanship we saw.

Like 1w

👍 Like

🔗 Share



Lee Gillette

I don't understand why backhoes were in that far with piping below.

Like 1w



Julie Pereira

Lee Gillette something about backfilling over the plumbing after the pipes were inspected.

Like 1w



Diane Liebel

I cannot believe you're expected to live with small children in that situation while they attempt to fix it. 😞

Like 1w



Julie Pereira

Diane Liebel they did get us hotel accommodations starting tonight. Thankfully.

I'm just so stressed and heartbroken about of this. I keep trying to crack jokes and make light of the situation, especially with the people that are working on the house right now because I want them to take care and do a good job, but I'm quite literally dying inside.

Like 1w



Blayne Banks

Oh no. There were no backhoes in there. Its poor craftsmanship and poor inspections. Plumbers have a very specific set of rules they must follow for waste. 1/4" every 3ft or something...(not a plumber lol) my best friend is a plumber, and im gonna ask him what he thinks

Like 1w



Megan Dascher Watkins

Do you know if other homeowners in the area are experiencing the same issues?

Like 1w



Julie Pereira

Megan Dascher Watkins not in our neighborhood- well, not this big of an issue but a few were having clogged toilets.

Like 1w



Megan Dascher Watkins

Julie Pereira what a fucking nightmare. I think calling a lawyer might be a good idea

Like 1w



Megan Dascher Watkins

Julie Pereira we went through something similar when we bought our house and had it completely renovated down to the studs by the end of the remodel the builder had gone over \$50,000 over budget and the contract that we had hired a separate attorney to... **See more**

Like 1w



Lori Mittleider Rees

What a nightmare!!!



Christine Thomas Messman
Omg. Girl what a horrible mess

Like 1w



Christine Thomas Messman
Julie Pereira Did the inspector not look over all of this before they built on it?

Like 1w



Julie Pereira
Christine Thomas Messman honestly I have so many questions about the foundation and the inspections...

Like 1w



Megan Sather
But why did the shower leak last night?

Like 1w Edited



Julie Pereira
Megan Sather we are pretty sure it was the toilet. Not the shower.
But the toilet was used during the shower time last night.
Toilet bowl filled up with water again (like it did a few weeks ago- which is what prompted my warranty ticket to the builder in the first place)

Like 1w



Megan Sather
Julie Pereira yeah but when my upstairs toilet overflows, it stays upstairs. Why is it trickling down?

Like 1w



Julie Pereira
Megan Sather we paid extra for cement board/permabase and red guard. Specifically for red guard to be used on the floors.
It was discovered that step was skipped and we were given a partial refund. ... **See more**

Like 1w



Jennifer Oatfield
Ive been thinking about you guys!! Hopefully tomorrow will bring more answers and less questions and issues.

Like 1w



Jennifer Bowhey
oh.....my.....GOODNESS. With you in spirit

Like 1w





Julie Pereira

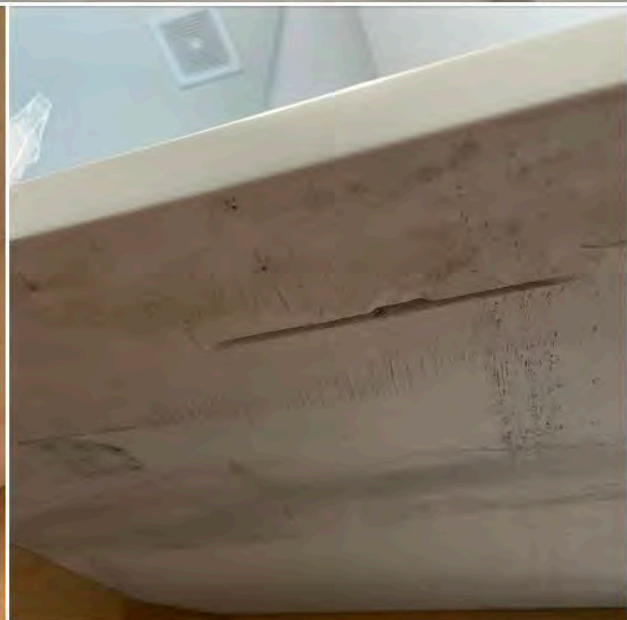
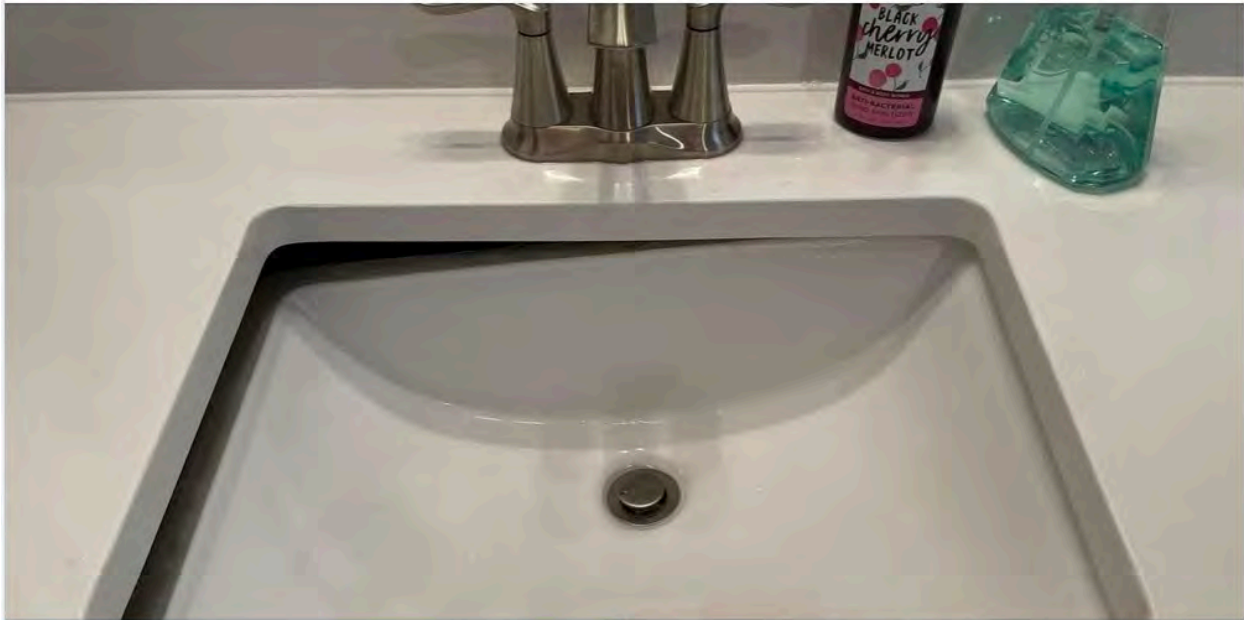
January 30 at 9:37 AM · 🌐



Remember the sink that fell from its undermount at our 7 month old house on New Year's Eve.... We initially thought it was missing a clip on the left side (clip was MIA) and that's why it fell.

NOPE... just found the "missing" clip in a box of tampons 🙄

We've asked for them to come re-mount all the sinks, particularly because there are large gaps in the mount on all the other sinks. So far, they're refusing 😞



🙄👍🙄 10

8 Comments

😱👍😬 10

8 Comments

👍 Like

➦ Share



Regi Lee Bryant
Oh. My. God!!

Like 1w 1



Christine Thomas Messman
They've got to be some of the worst builders in Tennessee.

Like 1w 2



Kevin Foster
That should fall under the house warranty. Honestly if I was you I would search for a very reputable house inspector and have him or her go through the entire house. Then seek an attorney and sue the builder. Cause Honestly sounds like you're living in a death trap

Like 1w 4

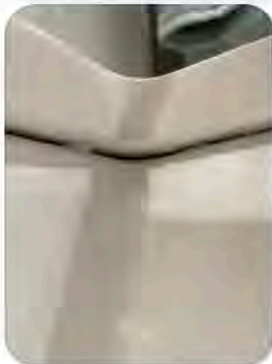


Blayne Banks
No silicone either? Damnnnn....

Like 1w



Julie Pereira
Blayne Banks well... clumps of silicone with gaping pockets...



Like 1w



Blayne Banks
Julie Pereira wow. Absolutely terrible. Class action goin on....only thing that sucks is when you have a law suit of any sort like that going on, makes selling so much more difficult:/

Like 1w 1



Blayne Banks
Hope it doesnt come down to that.

Like 1w 1



Jennifer Brown Moore
Of course they are... They are souless reptoids.

Like 1w 1

🥰🥰🥰 40

26 Comments 1 Share

👍 Like

➦ Share



Grant Bowers
Praying for you guys

Like 1w 1



Brenda Miller
Unbelievable 😞

Like 1w 1



Sue Wolsky Malone
😞 OMG! I am so sorry for you and your family 😞. Prayers 🙏🙏🙏🙏 hugs 😞
😞😞

Like 1w 1



Harpreet Gill
I am sorry, Julie. It is absolutely horrible that y'all are having to go through all of this.

Like 1w 1



Kevin Foster
Sounds like whoever signed off on the land being suitable for build was paid off. Your foundation is sinking

Like 1w 2



Colleen Lockhart
Oh sister! I'm so sorry 🤔🤔 1

Like 1w



Kevin Foster
Julie Pereira you and Joe need to file a lawsuit. 1 to have the house rebuilt and 2 for shitty build

Like 1w 4



Tamara Burton
Julie the doors not closing are typical foundation settlement. Please call an attorney

Like 1w 1



Lee Gillette
I'm going to make a speculation that the structural wall behind you in the video is where the belly is, it probably wasn't poured correctly with large enough footing and it's carrying massive load transfer from all the way up so it sank right there ca... [See more](#)

Like 1w 2



Julie Pereira
Lee Gillette you must work in construction or something ❤️

Like 1w

Like 1w



Brandon D Jones

What a fucking nightmare!! Who designs a house this way? I mean...I am not an architect, but I sure as hell wouldn't put ANY plumbing under a damn slab, and definitely not under a structural support wall.

My old house was on a slab, and as frustrating as it was from time to time (because they used ploybuteline piping...which always cracks) ALL plumbing and wiring was either in a wall or in the attic (in your case...upstairs would run through walls and between ceiling and floor).

The home builders need to be sued and have their license pulled. What a bunch of morons.

Like 1w



Tina Butler

Holy fuck!!!! I'm so sorry you're dealing with this.... Hopefully they'll be giving you money back....

Lots of hugs and prayers momma

Like 1w



Luna S Virrueta Briones

Omg to many issues from the beginning when they build your house 🙄🙄🙄

Like 1w



Karen Barrett McMillan

Have you contacted the news channel? Kinda like Get Jesse. What a nightmare! Prayers for you for sure!

Like 1w



Jenny Lynn

Not to get into scary what if scenarios, but it seems especially dangerous for them to expect you with young children to remain living there while it is addressed! 🙏😊

Like 1w



Julie Pereira

Jenny Lynn this is a concern. I'm worried that there aren't plans to brace the structural wall at all.

Like 1w



Jenny Lynn

Julie Pereira Can you call someone to oversee them? The town? A structural engineer not affiliated with them? Code enforcement?

Like 1w



Judy Huntington



Like 1w



Serita Long

Since I friended you thru Nikki about 10 years ago, I have watched you go thru some insane shit. If whatever didn't kill you makes you stronger. You're Wonderwoman by now!

Like 1w



Sabrina Hynes

OMG!!! I can't even imagine!! God, you poor things, what a nightmare to have to go through with small kids

Like 1w



Facebook video player interface showing a video of Julie Pereira. The video is paused at 0:00:02. The right sidebar displays the video's caption, engagement metrics (40 reactions, 26 comments, 290 views), and a list of recommended videos under the 'Up Next' section.



0:00:02



0:00 / 3:17



Julie Pereira
January 31 at 8:09 PM · 🌐

A lot of people are asking me what's going on with the house, so here's an update. If you pray, please pray for us because I cannot handle any more...

See less
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0:03:12

Facebook video player interface showing a woman speaking. The video is at 0:00:01. The right side shows a comment section for a post by Julie Pereira.

Julie Pereira
February 1 at 6:53 PM · 🌐

Here's another update, I've had a lot of people asking today and I really appreciate the support and concern for everything that's going on for us.

Shout out to my mom for coming over and helping me get kids to and from school several times today, and covering the house issues while I has a meeting. Also to my awesome neighbor who stopped by to see if we needed anything, And left me with some adult beverages and a good hug

See less

👍❤️👍 20 19 Comments 230 Views

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Lee Gillette
I don't understand why backhoes were in that far with piping below.
Like 1w 🗨️ 3

Julie Pereira
Lee Gillette something about backfilling over the plumbing after the pipes were inspected.
Like 1w

Diane Liebel
I cannot believe you're expected to live with small children in that situation while they attempt to fix it.
Like 1w 🗨️ 1

Julie Pereira
Diane Liebel they did get us hotel accommodations starting tonight. Thankfully. I'm just so stressed and heartbroken about of this. I keep trying to crack jokes and make light of the situation, especially with the people that are working on the house... See more
Like 1w 🗨️ 4

Blayne Banks
Oh no. There were no backhoes in there. Its poor craftsmanship and poor inspections. Plumbers have a very specific set of rules they must follow for every 1/4" every 3ft or something... (not a plumber lol) my best friend is a
0:01:36



Julie Pereira

February 2 at 8:25 PM · 🌐



Make it make sense 🤔

Yesterday at this spot, the pipe had a fall to the left, which is the WRONG direction.

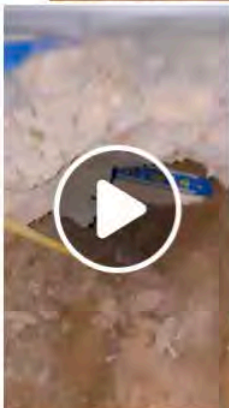
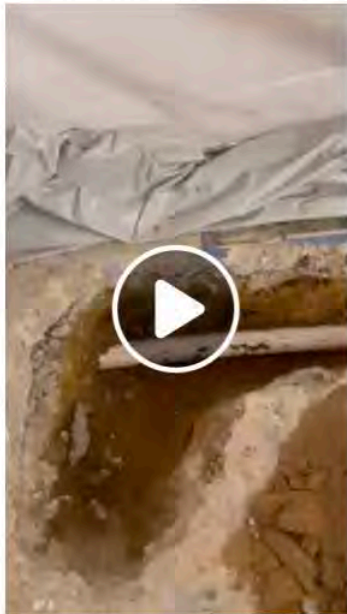
This morning, the pipe had a fall to the right, but it was too much of a fall.

Before the crews left tonight, they put a level on it, and it again had same WRONG fall to the left that it had yesterday. (I didn't get a pic or video of this, but I did see it with my own eyes)

About an hour after they left tonight, I took this first video, and now it has the correct fall to the right again.

Tell me this ground isn't unstable...

They still haven't found the cause of the water retention. I still maintain it's the pressure of the load bearing wall that the pipe runs UNDER... both sides of the wall are load bearing- 2 more weight than 1- but still, you get the issue right???



🤔 😬 👍 6

8 Comments 1 Share



Julie Pereira

February 6 at 10:25 PM · 🌐

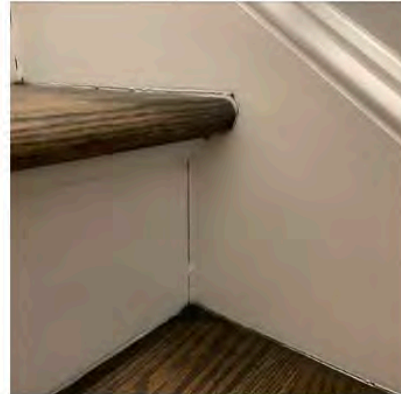
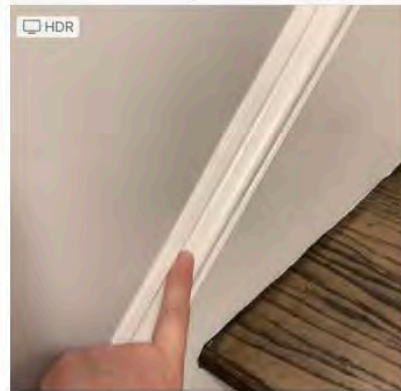


Quick update on the house... crews were last here on Wednesday.

All of the Lakeland/Memphis area completely shut down on Thursday and Friday because of the weather. They did offer to come Saturday but I couldn't be in 2 places at once, so Monday it is.

I have big concerns that we've got a soft backfill issue, and now a major foundation issue. So many red flags I see on my end. 😞

1st pic is a SS from a video I took in June. 2nd pic is the same stair tonight. 3rd pic just shows more separating. They've all shifted significantly for 7 months and they're separating from the wall...



😱😡😞 20

16 Comments

😱😱😱 20

16 Comments

👍 Like

➦ Share



Regi Lee Bryant
What the hell?!

Like 3d 1



Alex Cunningham
Geezzzuss

I know this seems like a dumb question, can you contact the original contracting company that headed the build of the home - I mean this house seems like a lemon 🙄

Like 3d



Julie Pereira
Alex Cunningham that's who is doing all this repair work

Like 3d



Alex Cunningham
Julie Pereira gahhhhh can you get out of the home contract ?

Like 3d



Julie Pereira
Alex Cunningham nope

Like 3d



Alex Cunningham
Julie Pereira gahhhhh

Like 3d



Allison Blakeley
My gosh. I'm so sorry. Water has it out for you. Bad.

Like 3d



Jennifer Brown Moore
Have your neighbors been having similar issues too? Like can a judge in court decide the whole place was fraudently built? I can't help but feel this all cannot look good when it goes to court. So many shady choices and shoddy construction.

Like 3d



Julie Pereira
Jennifer Brown Moore not like this. There are other neighborhoods with similar issues though

Like 3d



Jennifer Brown Moore
Julie Pereira, ugh. Like ones they built or ones near by you

Like 3d





Jennifer Brown Moore

Have your neighbors been having similar issues too? Like can a judge in court decide the whole place was fraudently built? I can't help but feel this all cannot look good when it goes to court. So many shady choices and shoddy construction.

Like 3d



Julie Pereira

Jennifer Brown Moore not like this. There are other neighborhoods with similar issues though

Like 3d



Jennifer Brown Moore

Julie Pereira, ugh. Like ones they built or ones near by you

Like 3d



Julie Pereira

Jennifer Brown Moore ones they built in other neighborhoods

Like 3d



Jennifer Bowhey

Can you go to court to reverse the sale?

Like 21h



Julie Pereira

Jennifer Bowhey no

Like 21h



Jennifer Bowhey

Can you Sue the builder for distress?

Like 6h



Julie Pereira

Jennifer Bowhey nope

Like 5h



Al Paulino

Cuz that looks like a fun adventure... hope it all plays out ok thus far !!

Like 12h



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🔍 julie pereira

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Posted By



Julie Pereira

February 6 at 11:09 PM · 🌐



Looking for companies that do soil samples/bore testing for foundation and compaction issues.

Also, completely open to any other recommendations that people in the industry might have. Please help ❤️

The whole ordeal is public on my wall.

Something is SERIOUSLY wrong with this house but I just keep getting blown off 😞 and I'm not going to sit idly by.

This forever dream house has been nothing short of a nightmare, long before we even closed. I'm so mentally and emotionally exhausted right now I don't know how much more I can take.



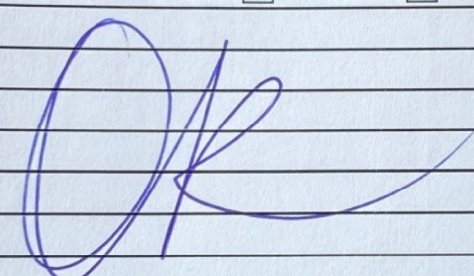
5

9 Comments

EXHIBIT 4

MEMPHIS AND SHELBY COUNTY OFFICE
OF CONSTRUCTION CODE ENFORCEMENT

BUILDING DEPARTMENT INSPECTIONS
6465 MULLINS STATION RD. 38134

INSPECTION	CHECK	ADDRESS: 5055 Odago LN	PERMIT #:
SITE		REMARKS: PASSED <input checked="" type="checkbox"/> FAILED <input type="checkbox"/>	B1116613
FOOTING			Winstead 6
POST HOLE			
SLAB			
FLOOR JOIST			
FRAMING			
BRICK TIE			
CEILING			
FINAL	<input checked="" type="checkbox"/>	INSPECTOR: Wendy Decker	INSP. #: 178

PH# 222-8400

DATE: 6-2-21