

AK Custom Homebuilders, LLC Limited Warranty

Buyer(s): _____

Property Address: _____

Start date: _____ End date: _____

Consequential and Incidental Damages:

Consequential and incidental damages are excluded, and the implied warranties are limited in duration. This Limited Warranty is not transferable and will automatically terminate if property is leased, rented, vacated, or sold by original homeowner noted above.

Terms:

The terms of the various coverage of this warranty begin on the date of the final settlement or the date when the Buyers first occupy the house, whichever comes first:

- Eleven months after closing on your home, mail or email your requested warranty items. See attached form for your convenience. Emergency reports are the only reports accepted by phone. No miscellaneous warranty work will be performed throughout the 11 months, unless deemed immediately necessary by the Builder.
- Warranty work will be during normal business hours, Monday through Friday, 8am-5pm. It is the responsibility of the Buyer to be available during these hours for warranty work. Two adults must be home at the time of repairs.

1. Coverage:

The builder warrants that by the standards of construction relevant in the locality of the home, for the period of one year:

- The floors, ceilings, walls and other internal structural components of the house that are covered by the other portions of this limited warranty will be free of defects in materials and workmanship. Cosmetic defects are excluded.
- The plumbing, heating, and electrical wire systems will be free of defects in material and workmanship.
- The roof will be free of leaks caused by defects in material or workmanship.
- The Builder warrants that by the standards of construction relevant in the locality of the home, for **60 days**, that the following items will be free of defects in materials and workmanship: doors (including hardware), windows, electrical switches, receptacles, fixtures, caulking around exterior opening, plumbing fixtures and cabinet work. After 60 days, the homeowner is responsible for any maintenance/repair.
- The Builder warrants the caulking around showers and tubs, the faucets and hardware for a period of 60 days. After 60 days, the homeowner is responsible for maintenance/repair.

Updated January 2025

2. Manufacturer's Warranties:

Coverage on appliances and items of equipment, including but not limited to water heaters, pumps, oven/ranges, dishwashers, furnaces, heat pumps, microwaves and other similar items. These items fall under the manufacturer's warranties, not the builder warranty. Builder will leave paperwork at the house upon closing. Buyer is advised to read such warranties and fill out paperwork from the manufacturer as requested.

3. Exclusion from Coverage:

The Builder does not assume responsibility for any of the following, all of which are excluded from coverage of this warranty:

- Consequential or incidental damages.
- Damages or losses resulting from accidents; civil commotion; acts of God or Nature (including but not limited to windstorms, sink holes, fallen trees, earthquakes, fire, smoke, changes in underground water table or flooding) Builder is not responsible for water quality or amount of water a well produces. Natural and man-made events can and do occur that can quickly affect well water quality and quantity. Builder recommends having well water tested on an annual basis.
- Defects in appliances and equipment that are covered by manufacturer's warranty, not under the limited builder warranty (see #4 above).
- Damage resulting from ordinary wear and tear, abusive use, neglect, or lack of proper maintenance of the home.
- Wells: Well supply, pumps, water quality, ground/earth surrounding well (i.e. ground settling)
- Septic tanks, leachfields, ground surrounding septic (i.e. ground settling)
- Defects that result in a characteristic common to the material used, such as, but not limited to: warping and deflection of wood, fading, caulking and checking of paint from exposure to sunlight or winter conditions, cracks that occurred in the drying and curing of concrete, stucco, rock, bricks, and masonry. Drying, shrinking, and cracking of caulking and weather stripping.
- Defects in items installed by the Buyer or anyone other than the Builder or if requested by the Builder, the Builder's subcontractor or the Builder installed material or equipment that have been modified, added to, or changed by the Buyer.
- Conditions resulting from condensation on or expansion or contraction of material.
- Any upgrades to the house that were made directly with the supplier/vendor and/or were paid for directly to the supplier/vendor.
- Builder is not be responsible for any mold/ mold like substance, mildew or anything of that nature. The Builder will not be responsible for any damage caused by mold including, but not limited to, property damage, personal injury, loss of income, emotional distress, death, loss of use, or loss of value.
- Builder recommends that the buyer install rain gutters. If gutters are not installed, Any & all damage from lack of rain gutters is not covered by Builder Warranty.

- Ground settlement and/or any damages resulting from ground settlement caused by owners use, care, maintenance or work done on the property.
- Loss or injury attributable to any of the above.

We highly encourage you thoroughly inspect your new home before our purchase/sale transaction records. Further, for your own protection, we encourage you to hire a professional home inspector prior to closing on/ purchasing your new home. While your home has been inspected by our ICBO/ building inspector, a home inspector is an additional inspection process allowing you to walk thru your new home and ask any question desired.

4. No Other Warranties:

This limited warranty is the only express warranty the Builder gives. Implied warranties including (but not limited to) warranties of merchantability, fitness for a particular purpose, habitability, and good workmanship are limited to the warranty period (term) set forth above.

5. Claims Procedure:

If a defect appears that the Buyer thinks is covered by this limited warranty, the Buyer must put the repair request clear & specific, in writing, accommodating photos or videos are welcome. A defect covered by this warranty will be repaired, replaced, or replaced with item of like kind, at builders' expense. The Buyer must advise the Builder in writing what time of the day that the Buyer's will be at home (M-F, business hours), so that the Builder can schedule a service call. If homeowner is a no show after scheduling in writing twice without prior approval of reschedule, then builder becomes not liable and is not required to fix the item. If a delay will cause extra damage (i.e., pipe burst), the Buyer should telephone the Builder directly. Only emergency reports will be taken by telephone. Failure to notify the Builder or Subcontractor/Vendor of defects covered under this limited warranty or any implied warranties relieve the Builder of all liability for replacement repairs & all other damages. The builder ultimately determines if the item is a warranty item or not.

6. Repairs:

Upon receipt of the Buyer's written notice of a defect, if the defective item is covered by this warranty, the Builder will repair or replace it at no charge to the Buyer within 60-90 days (longer if weather conditions, labor shortage or material shortages cause delays.) The work will be done by the Builder or subcontractor chosen by the Builder. The Builder has sole discretion to choose repair or replacement.

7. Concrete:

Concrete foundations, walkways, drives, and patios can develop cracks that do not affect the structural integrity of the building. These cracks are caused by the characteristics of expansion and contraction. No method of eliminating cracks exists. This condition does not affect the strength of the building and should not be considered a defect. Salt and ice melt should not be used on concrete. Item not warrantied.

8. Masonry and Mortar:

Masonry and mortar might develop cracks from shrinkage of either the mortar or the brick/rock. This condition is normal and should not be considered a defect. Dampness or water absorption into exposed masonry: materials are porous to varying degrees and cannot be controlled by builder. Item not warrantied.

9. Foundation Wall Cracks:

Small cracks not affecting structural stability are not unusual in foundation walls. Cracks greater than ¼ inch in width shall be repaired by builder/ appropriate contractor by caulking with a urethane concrete caulk.

10. Wood:

Wood/wood materials will sometimes check, crack, or “spread apart” because of the drying-out process. The heat inside the house or exposure to either the sun or winter conditions most often causes this condition. This condition is considered normal, and the homeowner is responsible for any maintenance or repairs resulting from it. Item not warrantied.

11. Sheetrock or Drywall:

Sheetrock or drywall will sometimes develop nail or settlement cracks. These nail pops and settlement cracks are a normal part of the drying process. The homeowner can easily handle these items with caulking. However, if the crack is concerning, and is over 1/8” wide, the Builder will make necessary repairs and the end of one year. Note: does not include touch up painting.

12. Floor Squeaks:

After extensive research and writing on the subject, technical experts have concluded that much has been tried, but that little can be done about floor squeaks. Generally, floor squeaks will appear and disappear over time with changes in the weather. Squeaks are excluded from coverage in this limited warranty.

13. Floors:

Floor damage caused by neglect or incidents of use is not covered by this warranty. INCLUDING pet urine. LVP, tile and carpet all require maintenance. Floor casters are recommended to prevent scratching or chipping LVP or tile floors. Stains should be cleaned from carpets, LVP or tile immediately to prevent discoloration. Carpet tends to loosen in damp weather and will stretch tight again in dry weather. Carpet installed by an outside vendor is not under builder’s warranty.

Builder will correct floor systems only if a structural defect.

14. Caulking:

Exterior caulking and interior caulking in bathtubs, shower stalls, and ceramic tile surfaces may dry & crack somewhat in the months after installation. These conditions are normal and

should not be considered a problem. Maintenance or repairs resulting from them are the homeowner's responsibility.

15. Broken Glass/windows:

Any broken glass or mirrors that are not noted by the Buyer on the final inspection (walk through) form are the responsibility of the Buyer.

16. Frozen Pipes:

The buyer must take precautions to prevent freezing of pipes including outdoor water spigots during cold weather (removing outside hoses from spigots). If buyer plans on leaving for an extended period, it is recommended that you hire a licensed professional to have the property winterized. Any exterior walls with plumbing should have cabinets left open if the temperature is below zero. Freeze up repairs are not the responsibility of the builder.

17. Stained Wood:

All stained items will normally have a variation of colors because of the different wood textures. Due to weather changes, doors that have panels will sometimes dry out and leave a small space of bare wood. These normal conditions must not be considered defects.

18. Paint:

Good quality paint has been used internally and externally on this home. Nevertheless, exterior paint can sometimes crack or peel. The source of the defect is most often something other than paint. To avoid problems with the paint, Buyer should avoid allowing lawn sprinklers to spray on painted areas and so on. Buyer should not scrub latex painted interior walls and should be careful of newly painted wall as they move furniture. The best paint will be stained and chipped off if it is not cared for properly. Any defects in the painting that are not noted at the final inspection are the responsibility of the Buyer. Any remaining paint will be left for the new homeowner for your convenience. Builder does not do any touch up painting unless it is noted and agreed upon via the final walk thru documents. It should be noted, over time paint changes as it cures, so leftover paint may not appear to be the same color/sheen as it was when originally painted.

It is natural that you will have slight cracks in the sheetrock in the first year of owning your home. The home takes months to completely dry and settle. Slight cracking does not fall under the Builders Warranty. We recommend you purchase caulk and repair these items as you find them. We do not repaint complete walls unless there is a substantial builder warranty issue. If you feel cracks are abnormal or more than 1/8" wide, please take a photo, send to the builder and he will meet with you to look at it. We typically have very little cracks in our homes, but with any new home, there may be a few over time.

Modern homes are constructed, partially from organic wood framing materials. Same with trim & molding pieces. Such materials will move, shrink, and expand with minor variations in temperature and moisture within the home. Such movement may result in minor separation

between adjacent surfaces is normal and should be expected within certain tolerances. This is not considered a defect but is within the expected behavior of organic wood products. This is not considered a builder warranty item. In addition, Interior doors may need to be adjusted and are not a warranty item.

19. Cosmetic Items:

Ordinary wear and tear may occur after construction that may affect the conditions or look of features in the home. Chips, scratches, or mars in quartz/granite, dents in kitchen appliances, doors, ship lap, siding, screens, windows, flooring, cabinets, and the like that are not recognized as warranty items.

Cosmetic item repairs must be put in writing and agreed upon / signed by both buyer and builder at the final walk-through before occupancy. Non-warrantable conditions and the upkeep of any cosmetic aspects of the home is the Buyer's responsibility.

20. Plumbing:

Dripping faucets, toilet adjustments, and toilet seats are covered by the Builder's warranty for a 30-day period. After that, they are the Buyer's responsibility. If the plumbing becomes stopped-up during the warranty period and the person servicing the plumbing finds foreign materials in the line, the Buyer may be billed for the call out.

21. Roof Damage:

The warranty on the Buyer's roof is for material only. Warranty claims for any defects in material will be handled by the manufacturers with the Builders assistance. The builder will not be responsible for any damages caused by walking on the roof, shoveling snow or by installing a television antenna or other items on the roof or any damages caused by nature. Prevention of ice build up is a maintenance item and is not the responsibility of the builder. Because roof systems must breathe, your home is constructed with vents at the soffits and ridges of the roof system. Snow and rain driven by high winds under severe conditions can be driven into air vent passages. This is not considered a defect and builder does not warrant against such water penetration. All roof leaks or shingle loss not caused by owner neglect, excessive winds or acts of God will be repaired by builder. Builder is not responsible for color variations of any replacement shingles.

22. Heating, HRV and Air-Conditioning:

The Buyer's source of heating & HRV & air conditioners (as applicable) is covered by the manufacturer's warranty. The Buyer is responsible for making sure the filters are kept clean and changed on a regular maintenance basis. Failure to do so may void warranty. After factory modifications may void the warranty. HVAC systems condensate lines will eventually clog as household dust accumulates on the cooling fans & condensation carries dust through the condensation lines where it normally builds up a clog in the condensate trap. Builder recommends that condensation lines be checked and cleaned at least annually,

Builder recommends buyer have ducts cleaned and furnace inspected by a licensed professional on an annual basis. Having all this equipment serviced yearly is recommended.

23. Indoor Air Quality:

All materials used on this home meet applicable building codes. The Builder makes no claims as to air quality and specifically excludes any warranty on air quality or radon.

24. Mold:

Mold is a type of fungus, and it occurs in the environment, and it is necessary for the natural decomposition. It spreads by means of microscopic spores born in the wind and is found everywhere life can be supported. Residential home construction is not and cannot be designed to exclude mold spores. If the growing conditions are right, mold can grow in your home. Most homeowners are familiar with mold growth in the form of bread mold, but not mold that may grow in bathroom corners.

To grow, mold requires a food source. This might be supplied in items found in your home, such as fabric, carpet or by building materials- such as drywall, wood, and insulation to name a few. Mold growth requires a temperate climate. The best growth occurs at temperatures between 40°F and 100°F. Finally mold growth requires moisture. Moisture is the only mold growth factor that can be controlled in residential settings. By minimizing moisture, a homeowner can reduce or eliminate mold growth.

Moisture in the home can have many causes. Spills, leaks, overflows, condensation, wet clothes thrown in a pile and high humidity are common sources of home moisture. Good housekeeping and home maintenance practices are essential in the effort to prevent or eliminate mold growth. If moisture is allowed to remain on the growth medium, mold can develop within 24 to 48 hours.

Consequence of Mold: All mold is not necessarily harmful, but certain strains of mold have been shown to have adverse health effects in susceptible persons. The most common effects are allergic reactions, including skin irritation, watery eyes, runny nose, coughing, sneezing, congestions, sore throat, and headache. Individuals with suppressed immune systems may risk infections. Some experts contend that mold caused serious symptoms and diseases which may even be life threatening. However, experts disagree about the level of mold exposure that may cause health problems, and about the exact nature and extent to the health problems that may be caused by mold. The center for Disease control states that a causal line between the presence of toxic mold and the serious health conditions has not been proven. Buyer should research further if they are concerned.

What the Homeowner can do: We encourage our buyers to research anything mold/mildew related, especially if there are concerns. The homeowner can take positive steps to reduce or eliminate the occurrence of mold growth in the home, and thereby minimize any possible

adverse effects that may be caused by mold. These steps include, but not limited to the following:

- Before bringing items into the home, check for signs of mold. Potted plants (roots and soil), furnishings, or stored clothing and bedding material, as well as many other household goods, could already contain mold growth.
- Regular vacuuming and cleaning will reduce the mold levels. Mild bleach solutions and moisture cleaners are effective in eliminating and preventing mold growth.
- Keep humidity in the home at low levels. Always vent clothes dryers to the outdoors. Ventilate kitchen and bathrooms by opening windows and using the exhaust fans.
- Promptly cleanup & dry spills, condensation, and other sources of moisture. Dry any wet surfaces or materials. Do not let water pool or stand in your home. Promptly replace any materials that are damaged by water and may need replacing.
- Inspect for leaks on a regular basis. Look for discolorations or wet areas. Repair any leaks promptly, inspect condensation pans (refrigerators) for mold growth. Take notice of musty odors, and any visible signs of mold.
- Should mold develop, thoroughly clean the affected area with mild solution of bleach. First, test to see if the affected material or surface is color safe. Porous material, such as fabric, upholstery or carpet should be discarded. Should the mold growth be severe, call the services of a qualified professional cleaner.
- Check the crawl space at breakup time of the year and when experiencing heavy rains. Consult a professional for further information or inspections if you find anything concerning.

Whether or not you experience mold growth depends largely on how you manage and maintain your home. Our responsibility as a home builder is limited to things that we can control. You – the buyer – have an opportunity to do a final walk thru and a home inspection with an inspector of your choice prior to signing final closing documents at the title company. We highly encourage you thoroughly inspect your new home before our purchase/sale transaction records. Once the transaction records, the builder will not be responsible for any mold/ mold like substance, mildew or anything of that nature.

25. Miscellaneous:

- Check & change furnace filter(s) once a month, or per manufacture's recommendations. What may happen if not done:
 - (A) Air furnace will work nonstop and will not produce heat.
 - (B) House may get cold.
 - (C) If house gets too cold or too hot, the house may get cracks on the walls, ceilings, countertops, tile, shower bottom, trim work, may freeze pipes, etc.
- Do not install humidifier in front of the room's intake of air.

- Ground movement in Alaska can be a serious problem. Even in areas considered stable there may be some problems. Problems can be attributed to the extensive freeze/thaw cycle, seismic activity, etc. This can cause cracking, settlement and/or heaving in asphalt. Builder is not responsible for such occurrences.
- After market add-ons and additions made by the owner or owner's contractors after the home closes are not covered by the Builders Warranty.

26. Fireplaces: Floorplans with natural gas fireplaces will have a gas direct vent fireplace. This is not a wood burning fireplace. Do not burn wood in gas or electric fireplaces.

27. Final Grade: "Final Grade", provided by the Builder, is construction final grade. This means the lot will be graded so the land slopes away from the house a total of 6 inches within the first 10 feet (or to the lot line, whichever is shorter). On larger lots, the only portion of the lot that will be graded are those areas affected by construction. Trees and other vegetation not required to be removed will be left for the owners to landscape around. Only the portion of the lot known as the "builders' envelope" will be cleared (specific area where the house is to be built). Some Buyers think that no water should stand on the lot after long periods of rain. This is not true. Our goal is to make sure that water drains away from the building. Effort to prevent drainage directed towards other lots unless the natural drainage in the area already drains that way. For example, on streets that drop-in elevation dramatically, the rear side lot line would have slopes that would drain naturally in that direction.

The construction final grade should not be confused with the "landscape grade" in which the land is prepared for planting the lawn. The Builder will not remove rocks, smooth out the lot or bring in topsoil. There are several reputable landscapers in the Mat-Su Borough that you can consult regarding your landscaping needs.

Buyer(s) have received the Builders Home Warranty and understand if there is any questions or concerns regarding said Warranty, I/We will direct them to the builder within (2) days of the date noted below.

Your new home has been built with pride and due care. We hope you enjoy your new home for years to come! *The builder is available to answer questions or offer advice – let us know if there is something you have questions or concerns with.*

AS 09.45.881 — 09.45.899, primarily addresses procedures related to disputes between homeowners and construction professionals regarding defects in the design, construction, or remodeling of dwellings. Here's a simplified summary:

1. **Notice of Claim** (AS 09.45.881): Homeowners (claimants) must notify the construction professional of a defect at least 90 days before filing a lawsuit. This notice must describe the defect in detail and its impact if known. The claimant must also provide evidence like expert reports or photographs if requested by the professional.
2. **Response to Claim** (AS 09.45.882): Within 21 days of receiving the notice, the construction professional must respond. They can offer to inspect the property, settle with payment, or dispute the claim.
3. **Court Action** (AS 09.45.883): If the professional disputes the claim or fails to respond, the claimant may file a lawsuit without further notice.
4. **Rejection of Offers** (AS 09.45.884, 09.45.888): If the claimant rejects an offer for inspection or settlement, they must notify the construction professional with reasons. They can then proceed to court.
5. **Inspection and Settlement Offers** (AS 09.45.885, 09.45.886): If the claimant agrees to an inspection, they must provide access to the property. Following the inspection, the construction professional must offer to repair the defect, pay for repairs, or deny the claim.
6. **Damages and Exemptions** (AS 09.45.895, 09.45.896): The claimant can recover costs for repairs, temporary housing, and legal fees. However, there are limits on damages, and these procedures do not apply to personal injury claims.
7. **Contract Requirements** (AS 09.45.893): Construction professionals must inform clients of these notice procedures in the contract, including a mandatory notice about potential claims.

In addition, the statute requires that construction contracts include a "Notice of Potential Claims" page to inform homeowners of the legal steps they must follow before pursuing court action for construction defects.

ALASKA LAW AT [AS 09.45.881](#) — 09.45.899 CONTAINS IMPORTANT REQUIREMENTS THAT YOU MUST FOLLOW BEFORE YOU MAY FILE A COURT ACTION FOR DEFECTIVE DESIGN, CONSTRUCTION, OR REMODELING AGAINST THE DESIGNER, BUILDER, OR REMODELER OF YOUR HOME. WITHIN ONE YEAR OF THE DISCOVERY OF A DESIGN, CONSTRUCTION, OR REMODELING DEFECT, BEFORE YOU FILE A COURT ACTION, YOU MUST DELIVER TO THE DESIGNER, BUILDER, OR REMODELER A WRITTEN NOTICE OF ANY DESIGN, CONSTRUCTION, OR REMODELING CONDITIONS YOU ALLEGE ARE DEFECTIVE IN ORDER TO PROVIDE YOUR DESIGNER, BUILDER, OR REMODELER WITH THE OPPORTUNITY TO MAKE AN OFFER TO REPAIR OR PAY FOR THE DEFECTS. YOU ARE NOT OBLIGATED TO ACCEPT ANY OFFER MADE BY THE DESIGNER, BUILDER, OR REMODELER. THERE ARE STRICT DEADLINES AND PROCEDURES UNDER STATE LAW, AND FAILURE TO FOLLOW THEM MAY AFFECT YOUR RIGHT TO FILE A COURT ACTION. ALASKA LAW AT [AS 09.45.895](#) CONTAINS LIMITATIONS TO THE AMOUNT OF DAMAGES THAT MAY BE RECOVERED IN A COURT ACTION FOR DEFECTIVE DESIGN, CONSTRUCTION, OR REMODELING.

ACCEPTANCE OF WARRANTY/ 12 Pages Total

Homeowners acknowledge that they have read, understood, and accept this warranty agreement.

PROPERTY ADDRESS: _____

Date: _____

Buyer's Signature

Date: _____

Buyer's Signature

Mailing Address

Email: _____ Cell Phone # 1 _____ Cell Phone #2 _____

Date: _____

Builder's Signature

Agim Delolli, AK Custom Homebuilders LLC
1735 S Creekside Circle, Wasilla AK 99654
(907) 360-0332

agim67@yahoo.com

AK Custom Homebuilders, LLC
Warranty Items Request
(11 Months After Closing)

Agim Delolli, AK Custom Homebuilders LLC
1735 S Creekside Circle, Wasilla AK 99654
(907) 360-0332

agim67@yahoo.com

Closing Date: _____ Today's Date: _____

Owner(s): _____

Property address: _____

I/we hereby request warranty work to be performed to remedy the following items:

Item 1: _____ Location: _____

Room

Concern:

Item 2: _____ Location: _____

Room

Concern:

Item 3: _____ Location: _____

Room

Concern:

OTHER NOTES / CONCERNS: