

DRAFT – SUBJECT TO CHANGE

**SGE, LLC
RESIDENTIAL LIMITED WARRANTY CERTIFICATE**

SGE, LLC (“Seller”) has sold to you a home at 12 Merganser Street in Westbrook, Maine. As in any building, certain items may require adjustment. This Limited Warranty Certificate describes nature of Seller’s obligations to make these adjustments.

I. COVERAGE AND DURATION:

A. Limited Warranty.

1. Limited Warranty. Seller expressly warrants that at the time of closing any improvements to the home, made or contracted for by the Seller are:
 - a. Free from defective materials;
 - b. Constructed in accordance with applicable law, according to sound engineering and structural standards and in a workmanlike manner. (Construction complying with the International Residential Code (IRC) in effect at the time of construction, if any, shall be deemed to satisfy such sound engineering or construction standards);
 - c. Suitable for the ordinary residential uses of real estate of its type; and
 - d. In at least as good condition as when you signed a purchase and sale contract, reasonable wear and tear excepted.
2. Time Limits for Notice to Seller. This warranty is limited to defects brought to Seller’s attention in writing by first class return receipt requested certified mail within TWO (2) YEAR from the date of the closing or such minimum period established by statute and the delivery of the deed to the home to you. If you do not notify Seller of the defect within TWO (2) YEAR from the date of closing, your problem will no longer be covered by these warranties.
3. Time for Suit on Any Warranty. A judicial proceeding for breach of any express or implied warranty or for any other claim relating to the physical condition of the home must also be brought within TWO (2) YEAR of your purchase, or such minimum period established by statute and the delivery of the deed to the home to you

B. Limited Warranty for Consumer Products

1. Seller assigns a LIMITED WARRANTY of repair or replacement of equipment and consumer products found to be defective and brought to manufacturer’s attention in writing per Paragraph A(2) above within 90 DAYS from the closing of the sale of the home or per manufacturer’s warranty agreements or conditions. If you do not notify Seller of the defect within ninety (90) DAYS of closing, your problem will no longer be covered by this warranty. Seller makes no other warranty on appliances or other equipment sold with the home except as may be required by statutory warranty.

2. Seller's sole obligation with respect to items not warranted by Seller shall be to deliver to the home owner at the time of closing any remaining manufacturer's warranties covering such kitchen appliances and equipment in the home. Seller is not responsible for performance under manufacturer's warranties in any way.

C. Examples.

1. The following are examples of building materials and components: roofing, siding, flooring, carpeting, wiring, windows, doors, toilet, bathtub, lavatory, etc.
2. The following appliances and other equipment sold with the home are examples of consumer products: garbage disposal, refrigerator/freezer, stove/oven, dishwasher, thermostat, trash compactor, or individual heating system.

II. CLAIMS: If you make a claim under this limited warranty or under any warranty required by law, Seller at its option may repair or replace the affected item or component at no cost to you or Seller may pay you a sum of money equal to the estimated cost of repair or replacement. Replacement items or components will be comparable but not necessarily identical to the items replaced. Seller will correct the defect in such manner as to reasonably restore the item to the condition which would have existed had the defect not been present or forward a check to pay for such costs. Said amount to be at contractor's cost.

III. GENERAL EXCLUSIONS:

- A. This warranty does not cover cracks, popping nails, or other effects of normal settlement, fading or expansion, contraction, shrinkage or warping of materials that may occur in walls, floors, ceilings, doors, concrete or any of the components of the building or paved areas, or drainage, seepage, or other water problems, as long as such defect will not prevent the normal residential use of the home.
- B. The Seller's warranties do not include defects, scratches, stains or smudges in painted surfaces, chipping and/or cracking of marble, Formica, fiberglass or tiles, defective or broken glass, or similar defects readily visible to the human eye which are not noted for correction at the time of inspection by the initial purchaser before closing of inspection.
- C. The Seller's warranties do not cover normal maintenance or conditions resulting from accidents, wear and tear, misuse, or negligence. The Seller's warranties do not apply where any defect results from damage to the home or by negligence or unreasonable use (including failure to provide reasonable and necessary maintenance).
- D. SELLER SPECIFICALLY DISCLAIMS ANY LIABILITY FOR INCIDENTAL OR CONSEQUENTIAL (SECONDARY) DAMAGE TO ANY PERSON, THE BUILDING, OTHER COMPONENTS OR ANY OTHER REAL PROPERTY RESULTING FROM A DEFECT. SOME STATES DO NOT ALLOW THE EXCLUSION OR LIMITATION OR INCIDENTAL OR CONSEQUENTIAL DAMAGES FOR CONSUMER PRODUCTS, SO THE ABOVE LIMITATION OR EXCLUSION MAY NOT APPLY TO YOU.

- E. Minor punch list items are corrected for first thirty (30) days after closing if notified per Paragraph A(2) above. After said thirty (30) day period, only structural defects which make the home unfit/unsafe for habitation as determined by local authority having jurisdiction. All parties acknowledge any repairs may not match, i.e., color or finish.

IV. TIME LIMITS.

FOR ANY CONSUMER PRODUCTS FINALLY DETERMINED BY A COURT TO BE WITHIN THE STATUTORY WARRANTY DESCRIBED ABOVE, ALL IMPLIED WARRANTIES ARE LIMITED IN DURATION **TWO (2) YEAR** FROM THE DATE OF CLOSING, WHICH IS THE PERIOD OF THIS WRITTEN WARRANTY. This includes, without limitation, the implied warranties of quality and suitability for building components. SOME STATES DO NOT ALLOW THE LIMITATIONS ON HOW LONG AN IMPLIED WARRANTY LASTS, SO THE ABOVE LIMITATION OR EXCLUSION MAY NOT APPLY TO YOU.

A JUDICIAL PROCEEDING FOR BREACH OF THE LIMITED WARRANTY for Building Components or breach of any other duty of care with regard to the Building Components must be commenced no later than **TWO (2) YEAR** from the date of delivery of the deed.

- V. ASSIGNMENT. This Limited Warranty Certificate may be assigned by the Buyer to a subsequent owner of the home effective on the date that the subsequent owner notifies Seller in writing of such assignment; this Limited Warranty Certificate is not otherwise transferable. Such assignment does not extend the **TWO (2) YEAR** limitation period.
- VI. INTERPRETATION, GOVERNING LAW AND VENUE. No action taken to correct defects shall extend this warranty. This warranty gives you specific legal rights and you may also have other legal rights which vary from state to state. This Limited Warranty Certificate shall be governed by and interpreted in accordance with Maine law without regard to its conflicts of laws principles. For determination of any and all disputes arising out of or in connection with this Agreement, the Buyer and Seller submit to the exclusive jurisdiction of the competent court(s) of the State of Maine.
- VII. All claims must be filed in writing to Seller and sent Certified Return Receipt or overnight mail with evidence of delivery.

Dated: _____

Dated: _____

SGE, LLC

Dated: _____

By: Michael A. Jacobson
Its: Member

Note: This Limited Warranty Certificate has been prepared to comply with the requirements of the federal Magnuson Mass Warranty –Federal Trade Commission Improvement Act enacted in 1975 (15 U.S.C. Section 2301); certain language is required by regulations promulgated by the Federal Trade Commission (16 C.F.R. Section 701.3). The Maine Uniform Commercial Code at Title 11 M.R.S.A. does not allow limitations on implied warranties or merchantability or fitness for a particular purpose or limitation on remedies for breach with respect to consumer goods or services.