

ADDENDUM C

16-2470

LIMITED WARRANTY AGREEMENT

This Limited Warranty Agreement (this "Limited Warranty Agreement") is hereby entered into on 6/3/16, by Joshua A. Finch and Summer B. Finch (whether one or more "Purchaser"), and Embassy Homes, LLC ("Seller").

WHEREAS, Seller and Purchaser have heretofore entered into a New Home Sales Agreement dated as of 4/12/16 (the "Agreement"), of which this Limited Warranty Agreement is a part, for the sale by Seller and the purchase by Purchaser of a house (the "Residence") located upon that certain parcel of real property (the "Real Property") located in Shelby County, Alabama, which is more particularly described as Lot 92 according to the survey of Nottingham, Sector 4 as recorded in Map Book 43, Page 58 in the Office of the Judge of Probate of Shelby, Alabama; and

WHEREAS, Seller has agreed in the Agreement to provide to Purchaser and Purchaser has agreed to accept this Limited Warranty Agreement, in lieu of all other warranties and claims whatsoever, whether implied by law or otherwise.

NOW, THEREFORE, in consideration of the premises, the agreements herein, the agreements set forth in the above mentioned Agreement, the payment of the Total Purchase Price as set out in the Agreement, and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the parties do hereby agree to the terms and conditions of this Limited Warranty Agreement as follows:

1. Warranty Period. Seller does hereby provide to Purchaser this Limited Warranty Agreement on the Residence for a period of One (1) Year (the "Limited Warranty Period") beginning on the date hereof (the "Limited Warranty Commencement Date"), and Purchaser does hereby agree to the terms of this Limited Warranty Agreement and further agrees to accept this Limited Warranty Agreement as the only warranty given, in lieu of all other warranties of any kind, expressed or implied, with respect to the Residence and the sale thereof to Purchaser. The Limited Warranty Period has been negotiated between Seller and Purchaser as a part of the negotiation of the terms and provisions of the Agreement.

2. Limited Warranty. Seller hereby warrants to Purchaser that, for and during the Limited Warranty Period, the Residence will be free from Latent Defects, as hereinafter defined. If a Latent Defect occurs in an item which is covered by this Limited Warranty Agreement, Seller will repair, replace, or pay to Purchaser the reasonable cost of repairing or replacing any such item. Seller shall in its sole discretion determine whether to repair, replace, or pay the reasonable cost of repairing or replacing any such item. THE LIABILITY OF SELLER IS STRICTLY LIMITED TO THE OBLIGATION TO REPAIR, REPLACE, OR PAY THE REASONABLE COST OF REPAIRING OR REPLACING ANY SUCH ITEM, AND ANY RIGHT THAT PURCHASER MIGHT HAVE TO RECOVER ANY OTHER OR ADDITIONAL DAMAGES IS HEREBY WAIVED AND EXCLUDED. PURCHASER ACKNOWLEDGES THAT THE SOLE REMEDY AVAILABLE TO PURCHASER HEREUNDER IS THE RIGHT TO REQUIRE SELLER TO REPAIR, REPLACE, OR PAY THE REASONABLE COST OF REPAIRING OR REPLACING ANY SUCH ITEM. Steps taken by Seller to correct any Latent Defect under this Limited Warranty Agreement shall not extend the Limited Warranty Period.

3. Definition of Latent Defect. For the purposes of this Limited Warranty Agreement, a "Latent Defect" is defined as and limited to a defect in a necessary component in the Residence which (i) is not apparent at the Limited Warranty Commencement Date but which becomes apparent during the Limited Warranty Period; (ii) is not otherwise excluded in this Limited Warranty Agreement; (iii) results in actual physical damage to the Residence; (iv) is the direct result of the failure by Seller to construct the Residence in accordance with the applicable Building Standard portion of the Building Quality Standards Section attached hereto as Exhibit I (the "Building Quality Standards Section"); and (v) has been set forth in detail by Purchaser in a written notice to Seller given prior to the expiration of the Limited Warranty Period. The responsibility of Seller to repair or replace certain items with respect to which there might be a Latent Defect shall be as set forth in the Responsibility portion of the Building Quality Standards Section. If a specific Latent Defect is not addressed in the Building Quality Standards Section, then the applicable codes adopted by the local governing body with respect to residential construction standards (or if no such codes have been adopted, then the standards of construction prevailing in the geographical area of the Residence) will be used in lieu of the provisions of the Building Quality Standards Section. The Building Quality Standards Section lists specific defects that might occur within specified categories of the construction and the responsibilities of Seller and Purchaser with respect thereto, pursuant to the following format:

Possible Defect - a brief statement of problems that may be encountered.

Building Standard - a building standard relating to a specific defect.

Responsibility - a statement of the corrective action, if any, required of Seller to repair the defect or a statement of Purchaser's maintenance responsibilities.

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4. LIMITATION UPON LIABILITY. THE SOLE REMEDY AVAILABLE TO PURCHASER UNDER THIS LIMITED WARRANTY AGREEMENT IS THE RIGHT TO REQUIRE SELLER TO REPAIR, REPLACE, OR PAY THE REASONABLE COST OF REPAIRING OR REPLACING LATENT DEFECTS, AS HEREIN DEFINED, IN THE RESIDENCE. SELLER'S TOTAL LIABILITY UNDER THIS LIMITED WARRANTY AGREEMENT SHALL NOT EXCEED THE TOTAL PURCHASE PRICE PAID TO SELLER UNDER THE AGREEMENT, LESS THE VALUE OF THE REAL PROPERTY UPON WHICH THE RESIDENCE IS LOCATED. THIS LIMITED WARRANTY AGREEMENT DOES NOT EXTEND TO OR INCLUDE LIABILITY FOR INDIRECT OR CONSEQUENTIAL DAMAGES.

5. Pre-Closing Inspection. Prior to the closing of the purchase of the Residence, Purchaser and Seller have inspected the Residence and Purchaser has executed the Acknowledgment of Acceptance in the form attached hereto as Exhibit II, and any exceptions, omissions, or malfunctions agreed upon and noted thereon will be corrected promptly by Seller. Seller may elect, at the discretion of Seller, to correct all exceptions, omissions, or malfunctions and document, with Purchaser, such corrections of exceptions, omissions, or malfunctions, prior to proceeding with closing or correct the same after the closing.

6. Assignment of Insurance and Warranties to Seller. In the event Seller repairs, replaces, or pays to Purchaser the reasonable cost of repairing or replacing any Latent Defect covered by this Limited Warranty Agreement which is covered by insurance or other warranties, Purchaser will, upon the request by Seller, assign the products or proceeds of such insurance or warranties to Seller to the extent of the cost to Seller of such repair, replacement, or payment.

7. Exclusions and Disclaimers.

This Limited Warranty Agreement shall not extend to, include, or be applicable to (a) defects in garages, storage buildings or other outbuildings not attached to the Residence; swimming pools; other recreational facilities; driveways; walkways; retaining walls; fences; landscaping (including sodding, seeding, shrubs, trees, and plantings); or items furnished or installed by Purchaser or by parties who have dealt directly with Purchaser; or (b) defects which are the result of characteristics common to the materials used, such as (but not limited to) warping and deflection of wood; the presence of mildew, mold, spores, fungi, or other moisture-related conditions; fading, chalking, and checking of paint due to sunlight; cracks due to drying and curing of concrete, stucco, plaster, bricks, and masonry; shrinking and cracking of caulking and weather-stripping; or non-uniformity of appearance of brick and mortar; or (c) defects resulting from failure to perform general maintenance, including but not limited to, the presence or growth of mildew, mold, spores, fungi, or other moisture-related conditions; negligence; normal wear and tear; improper maintenance; or improper operation of the Residence or any part of the systems in the Residence; and Purchaser hereby waives and disclaims any claim arising out of any such defects.

Purchaser acknowledges that Purchaser has read, understood, and accepted the foregoing paragraph.

This Limited Warranty Agreement shall not extend to, include or be applicable to any loss, damage, or injury caused by or resulting from any events, conditions or circumstances not within the complete control of Seller: riots, civil commotion; fire; explosion; smoke; accidents; water escape; mildew, mold, spores, fungi, or other moisture-related conditions; falling objects; aircraft; vehicles; acts of God; lightning; windstorm; hail; flood; mud slides; damage to personal property; earthquakes; volcanic eruptions; wind driven water; radon gas; the presence of fiberglass (also known as rock wool) as a component in the construction of the Residence; infestation from termites or other insects; sink holes; subsurface conditions; or changes in the underground water table; including, but not limited to, any mental anguish or bodily injury and any incidental, consequential, punitive or secondary damages caused or claimed to be caused thereby; and Purchaser hereby waives and disclaims any claim arising out of any such loss, damage or injury.

Purchaser acknowledges that Purchaser has read, understood, and accepted the foregoing paragraph.

This Limited Warranty Agreement does not limit or enhance any manufacturer's warranty that is given on any appliance, fixture, equipment, or material included within the Residence (the "Manufacturer's Warranted Items"). The warranties supplied by the manufacturers, either directly or indirectly, to Purchaser, on some Manufacturer's Warranted Items, may be greater in both scope and time than warranties provided in this Limited Warranty Agreement. These warranties are the property of Purchaser and Seller shall deliver all such warranties at the pre-occupancy inspection and transfer the rights that Seller has in such warranties, if

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any, to Purchaser. Purchaser will file with the manufacturer any forms contained in these manufacturer's warranties that are necessary to activate such warranties. These Manufacturer's Warranted Items are specifically not covered by this Limited Warranty Agreement, and Purchaser shall rely on the manufacturers to correct any deficiencies with respect to all Manufacturer's Warranted Items.

Purchaser acknowledges that Purchaser has read, understood, and accepted the foregoing paragraph.

This Limited Warranty Agreement shall not extend to, include or be applicable to any loss, damage, or injury to the Property or any bodily injuries (including death) and injury or damage to personal property of Purchaser or any of Purchaser's family members, guests, employees, agents, servants, invitees and licensees caused by or resulting from any labor, materials, supplies or work undertaken at any time prior to or after the Limited Warranty Commencement Date by any contractor, subcontractor, material man, laborer, vendor, supplier or other person or entity hired, engaged or employed by Purchaser to undertake any work on or within any portion of the Property. Purchaser hereby irrevocably and unconditionally waives and releases Seller of and from any and all damage, loss, action, cause of action, liability, claim or expense, including, without limitation, damage or injury to any portion or the Property and bodily injuries (including death) and injury to personal property of Purchaser or any of Purchaser's family members, guests, employees, agents, servants, invitees and licensees arising out of, caused by or relating to, any loss, damage, or injury caused by or resulting from any labor, materials, supplies or work undertaken at any time prior to or after the Limited Warranty Commencement Date by any contractor, subcontractor, material man, laborer, vendor, supplier or other person or entity hired, engaged or employed by Purchaser.

Purchaser acknowledges that Purchaser has read, understood, and accepted the foregoing paragraph.

8. Access to the Residence. Purchaser must provide Seller with reasonable workday access to the Residence in order to perform any warranty service required under this Limited Warranty Agreement. Failure or refusal of Purchaser to provide such access to Seller will relieve Seller of its obligations under this Limited Warranty Agreement.

9. Opportunity to Perform. Prior to taking any action to enforce Seller's obligations under this Limited Warranty Agreement, Purchaser must give to Seller reasonable notice of and a reasonable opportunity to repair, replace, or pay the reasonable cost of repairing or replacing any Latent Defect covered hereunder. SUCH NOTICE MUST, IN ANY EVENT, BE GIVEN IN THE MANNER DESCRIBED IN PARAGRAPH 13 OF THIS LIMITED WARRANTY AGREEMENT AND MUST BE GIVEN PRIOR TO THE EXPIRATION OF THE LIMITED WARRANTY PERIOD. Purchaser acknowledges that the right of Purchaser to require Seller to repair, replace, or pay the reasonable cost of repairing or replacing any Latent Defect covered hereunder is the sole and exclusive remedy available to Purchaser.

10. Arbitration. Seller and Purchaser covenant and agree that any controversy, claim, or dispute arising out of or relating to this Limited Warranty Agreement, including, without limitation, questions and disputes concerning the breach and enforceability of this Limited Warranty Agreement and any obligation of Seller to repair, replace, or pay to Purchaser the reasonable cost of repairing or replacing any Latent Defect covered under this Limited Warranty Agreement, whether based on statute, contract, tort or other legal theory, shall be submitted to, and decided solely by, binding arbitration under the terms and provisions of the Federal Arbitration Act ("FAA"), 9 U.S.C §1, *et seq.* The arbitration will be administered in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association currently in effect and the terms of this Agreement. Such arbitration proceedings shall be held in Birmingham, Alabama and shall be heard by an arbitrator who is either a practicing attorney or retired judge having at least 10 years combined experience as a practicing attorney or retired judge of a court of record in the 15 years immediately preceding the arbitration. The arbitrator's award shall be based on substantial evidence and the arbitrator shall award only such relief, if any, which a court of competent jurisdiction could award under the facts in a case properly decided under applicable law and the terms and provisions of this Agreement. Judgment on the arbitrator's award may be entered in any court having jurisdiction. Any appeal from the award will be governed by the FAA. The parties acknowledge and agree that the transactions contemplated by this Agreement, which include the use of materials and components which are obtained from out-of-state and which otherwise include the use of interstate mails, roadways and commerce, involve interstate commerce, as that term is defined in the FAA. The foregoing provisions of this Agreement constitute an election by Seller and Purchaser to resolve all claims, disputes and controversies under or relating to this Agreement by arbitration rather than judicial process. IT IS UNDERSTOOD THAT THE PARTIES VOLUNTARILY HAVE CHOSEN TO ARBITRATE THEIR DISPUTES IN LIEU OF RESOLVING DISPUTES BY A JURY TRIAL OR A TRIAL IN COURT. The parties understand that the rules applicable to arbitrations and the rights of parties in arbitrations differ from the rules and rights applicable in court. Any award rendered by the arbitrator shall be final. The parties

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further acknowledge, agree and direct that the arbitrator determine and require, as part of the arbitrator's decision and findings, that the non-prevailing party in any such arbitration proceeding pay to the prevailing party all reasonable costs and expenses, including attorneys' fees and expenses, paid or incurred by the prevailing party in such arbitration proceeding. This agreement to arbitrate shall survive the expiration of the Limited Warranty Period.

11. No Assignment. This Limited Warranty Agreement is provided to Purchaser only and is not transferable or assignable by Seller or Purchaser nor enforceable by any subsequent owner or occupant of the Residence.

12. General Provisions.

- (1) If any provision of this Limited Warranty Agreement is determined by a court of competent jurisdiction to be unenforceable, that determination will not affect the enforceability of the remaining portions.
- (2) Subject to the provisions of Paragraph 11 of this Limited Warranty Agreement, this Limited Warranty Agreement shall be binding upon Seller and Purchaser and their respective heirs, executors, administrators, successors and assigns.
- (3) This Limited Warranty Agreement shall be governed by the laws of the United States (including, specifically, the provisions of the Federal Arbitration Act) and, to the extent not inconsistent therewith, the laws of the State of Alabama.
- (4) The titles or headings to the paragraphs included herein are for convenience only and shall not add to, reduce, limit, or modify in any manner the content thereof.
- (5) The use of one gender shall include all other genders, the use of singular shall include the plural, and the use of the plural shall include the singular, all as may be appropriate to the context in which they are used.
- (6) Seller and Purchaser expressly agreed that no modification of this Limited Warranty Agreement and no waiver of any of its terms and conditions shall be effective unless made in writing and duly executed by the parties hereto.
- (7) Time is of the essence in the performance of all obligations of the parties to this Limited Warranty Agreement.

13. Notice to Seller. Purchaser shall notify Seller in writing before the expiration of the Limited Warranty Period of any alleged defect covered by this warranty. Such notice and any other notices to be given to Seller hereunder must be sent to Seller by U. S. certified mail, return receipt requested, at the following address:

Embassy Homes
5318 Meadowlark Lane
Birmingham, AL 35242
Attention: Mr. Clark Parker

FAILURE OF PURCHASER TO GIVE SUCH WRITTEN NOTICE TO SELLER BEFORE THE EXPIRATION OF THE LIMITED WARRANTY PERIOD SHALL BAR ANY RIGHT TO RECOVERY BY PURCHASER PURSUANT TO THIS LIMITED WARRANTY AGREEMENT.

14. Consumer Products. This Limited Warranty Agreement does not extend to or cover any appliance, piece of equipment, or any item defined as a consumer product for purposes of the Magnusson-Moss Warranty Act (15 USC 2301-2312, as amended).

15. WAIVER OF WARRANTIES AND CLAIMS. THIS LIMITED WARRANTY AGREEMENT IS GIVEN IN LIEU OF ANY AND ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, HABITABILITY AND WORKMANSHIP AND IS ALSO IN LIEU OF ANY CLAIMS FOR PUNITIVE, CONSEQUENTIAL DAMAGES, MENTAL ANGUISH OR EMOTIONAL DISTRESS, AND FOR DAMAGES BASED UPON NEGLIGENCE. PURCHASER HEREBY EXPRESSLY IRREVOCABLY AND UNCONDITIONALLY WAIVES AND DISCLAIMS (a) ANY WARRANTIES OTHER THAN THE LIMITED WARRANTY GRANTED IN THIS LIMITED WARRANTY AGREEMENT BY SELLER TO PURCHASER AND (b) ANY CLAIMS, ACTIONS, CAUSES OF ACTION OR DEMANDS FOR PUNITIVE DAMAGES.

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CONSEQUENTIAL DAMAGES, MENTAL ANGUISH OR EMOTIONAL DISTRESS WITH RESPECT TO BOTH THE RESIDENCE AND THE REAL PROPERTY UPON WHICH THE RESIDENCE HAS BEEN CONSTRUCTED.

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Purchaser acknowledges that Purchaser has read, understood, and accepted the foregoing paragraph.

16. SOLE WARRANTY/ENTIRE AGREEMENT. IT IS SPECIFICALLY AGREED BY THE PARTIES HERETO THAT THIS LIMITED WARRANTY AGREEMENT IS ACCEPTED BY PURCHASER AS THE SOLE WARRANTY GIVEN BY SELLER. PURCHASER ACKNOWLEDGES THAT THIS LIMITED WARRANTY AGREEMENT IS THE ENTIRE AGREEMENT OF THE PARTIES RELATED TO WARRANTIES. PURCHASER FURTHER AGREES THAT PURCHASER HAS NOT RELIED UPON ANY ORAL OR WRITTEN STATEMENTS, UNDERTAKINGS, OR REPRESENTATIONS EXCEPT AS SPECIFICALLY SET FORTH IN THIS LIMITED WARRANTY AGREEMENT AND THAT NO PRIOR AGREEMENT OR UNDERSTANDING PERTAINING TO WARRANTIES SHALL BE VALID OR OF ANY FORCE OR EFFECT. THE COVENANTS AND AGREEMENTS OF THIS LIMITED WARRANTY AGREEMENT CANNOT BE ALTERED, CHANGED, MODIFIED, OR ADDED TO, EXCEPT IN A WRITTEN INSTRUMENT SIGNED BY PURCHASER AND SELLER. NO REPRESENTATION, INDUCEMENT, UNDERSTANDING, OR ANYTHING OF ANY NATURE WHATSOEVER MADE, STATED, OR REPRESENTED BY SELLER OR ON SELLER'S BEHALF, EITHER ORALLY OR IN WRITING (EXCEPT AS SPECIFICALLY SET FORTH IN THIS LIMITED WARRANTY AGREEMENT), HAS INDUCED PURCHASER TO ENTER INTO THIS LIMITED WARRANTY AGREEMENT OR SHALL BE ENFORCEABLE IN ANY MANNER AGAINST SELLER.

Purchaser acknowledges that Purchaser has read, understood, and accepted the foregoing paragraph.

IN WITNESS WHEREOF the parties hereto have set their hands and seals on this the 3rd day of June, 2016.

SELLER:

EMBASSY HOMES, LLC, an Alabama limited liability company

By: _____
Its: Managing Member

PURCHASER:

Joshua A. Finch

Summer B. Finch

Witness

Witness

Witness

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Exhibit II to Limited Warranty Agreement

STATE OF ALABAMA)

COUNTY OF SHELBY)**ACKNOWLEDGMENT OF ACCEPTANCE**

Pursuant to the terms and conditions of that certain New Home Sales Agreement dated 4/12/16 (the "Sales Agreement"), we, the undersigned purchasers, are consummating the purchase from Embassy Homes, LLC, an Alabama limited liability company ("Seller"), of Lot 92, according to the survey of Nottingham, Sector 4 as recorded in Map Book 43, Page 58 in the Office of the Judge of Probate of Shelby, Alabama (the "Lot"). The Lot and the residential dwelling (the "Residence") constructed thereon by Seller are hereinafter collectively referred to as the "Property". *Capitalized terms not otherwise expressly defined herein shall have the same meanings given to them in the Sales Agreement.*

We hereby acknowledge that we have inspected the Property and that, without any reservations other than the completion of those items set forth on the Punch List executed by both Seller and the undersigned, we accept the Property in its current "AS IS" condition. Specifically, we accept the Property as to the condition of the (a) wall finish, paint, and decoration, (b) finished floors, (c) bath tile and fixtures, (d) kitchen tile, sink, and cabinets, (e) woodwork, trim, and paneling, (f) doors and windows, (g) caulking and weather-stripping, (h) lighting fixtures, (i) brick and paneling on exterior walls, (j) concrete, stucco, plaster, bricks, mortar, and masonry, (k) garages, storage buildings, or other outbuildings not attached to the Residence, (l) swimming pools and other recreational facilities, (m) concrete work of driveway, walks, porches, and carports, (n) roofing, (o) drainage around Residence and ditches within easements, (p) basement or crawl space under Residence, and (q) driveways, walkways, retaining walls, fences, and landscaping (including sodding, seeding, shrubs, trees, and plantings).

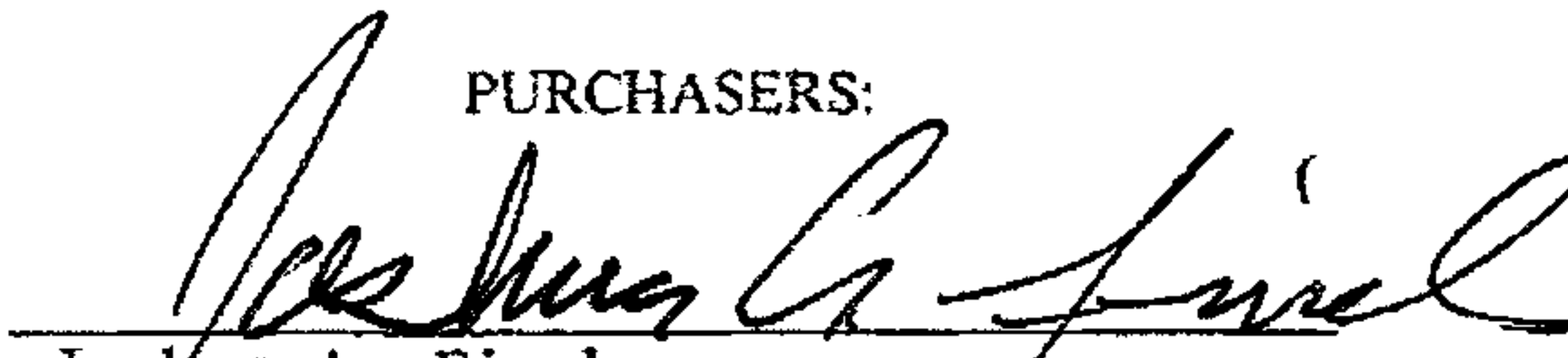
We hereby acknowledge receipt of the Limited Warranty Agreement executed by Seller and us. We acknowledge and agree that the Limited Warranty Agreement is limited in duration to a period of time of One (1) Year from the date hereof and understand the responsibilities of Seller there under.

By closing the purchase of the Property, we acknowledge that, except for the completion of those Punch List items, as defined in the Sales Agreement, which have not been completed by Seller as of the date hereof (such completion being evidenced by Purchaser's initialization of such completed items on the Punch List), (i) Seller has performed all of its obligations under the Sales Agreement and (ii) the improvements upon the Property have been completed in accordance with the Plans and Specifications agreed upon and described in the Sales Agreement and all of the other terms and provisions of, and all exhibits to, the Sales Agreement.

The undersigned do further acknowledge and agree that there are no further agreements or understandings, either verbal or in writing, relating to the construction or completion of the Residence or the purchase and sale of the Property except as specifically set forth in the Sales Agreement, the Limited Warranty Agreement and the Punch List.

Dated this day June 3, 2016.

PURCHASERS:


 Joshua A. Finch


 Summer B. Finch

Initial _____



Filed and Recorded
 Official Public Records
 Judge James W. Fuhrmeister, Probate Judge,
 County Clerk
 Shelby County, AL
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