



THE ILLUSTRATED GUIDE TO STRUCTURAL WARRANTIES



1 WHAT IS A STRUCTURAL WARRANTY?

A structural warranty provides a written agreement between the home builder and the homeowner and clearly defines the builder's work-product obligations related to construction quality and continuing obligations.



2 WHY AN INSURANCE-BACKED STRUCTURAL WARRANTY?



A structural warranty, from an established warranty provider, gives builders and homeowner's confidence that if qualified major structural damages develop in a home, those repairs will be the obligation of the warranty insurer rather than the responsibility of the builder and homeowners.

3 WHAT DAMAGES DOES A STRUCTURAL WARRANTY COVER?



A structural warranty covers specific types of structural defects: actual physical damage to load-bearing elements of a home that result in failure of its load-bearing function.



4 HOW MUCH DOES A STRUCTURAL WARRANTY COST?

LESS THAN \$0.005%

The average cost of a 10 year warranty is less than a half percent of the total purchase price of the home including the land.

AVG REPAIR

IN LOW RISK STATES
\$42,500

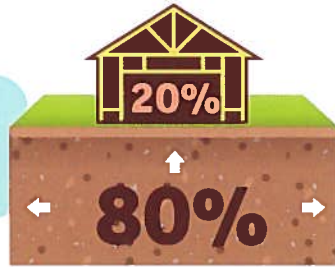
IN HIGH RISK STATES
\$113,000

OF THE TOTAL PURCHASE PRICE, PLUS LAND



5 WHAT CAUSES STRUCTURAL DAMAGE IN A HOME?

Soil movement surrounding a home's foundation causes more than 80% of structural defects, and framing-related issues cause the remaining 20%.



6 WHY DO BUILDERS NEED STRUCTURAL WARRANTIES?



1. Make Handling Complaints Simpler
2. Save Time
3. Provides Confidence to Home Buyers
4. A Helpful Sales and Marketing Tool
5. It Makes Good Business Sense
6. Avoid Costly Litigation



7 FEATURES AND BENEFITS FOR HOMEOWNERS

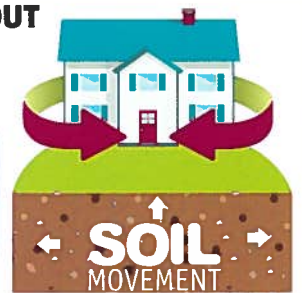


1. Worry-free
2. Protection When It's Needed
3. Surrounding Components Are Covered
4. Warranty Administration
5. Avoid Costly Litigation

8 HOW 2-10 HBW STANDS OUT FROM THE COMPETITION



2-10 HBW offers the most comprehensive coverage of any warranty company.



9 HOW CAN BUILDERS PROVIDE A 2-10 HBW INSURANCE-BACKED STRUCTURAL WARRANTY



By visiting 2-10.com or calling **800.488.8844** or email 210hbw@2-10.com

10 WHY SHOULD A HOME BUYER PURCHASE FROM A 2-10 HBW BUILDER?



The biggest advantage to buying a home from a 2-10 HBW builder member is in the quality of their craftsmanship and their ability to provide the best new home structural warranty. A home buyer can know that the construction standards are defined and there is a warranty insurer to stand behind the builder's promise.

