

Dear Fellow Toll Brother's Homeowner:

We write to you today to alert you to some concerning issues that are impacting a large number of houses in another Bucks County Toll Brother's community. These issues have also been documented at other communities throughout the Delaware Valley. Our goal is to make you aware of ***potential*** issues so that you can take appropriate action and avoid finding yourself in the same circumstances that we currently find ourselves. Specifically, we are outside of the Toll homeowner's warranty of 12 years (10 from Toll + 2 from the State of PA known as the Statute of Repose).

Over the last several months it has come to our collective attention that there have been issues resulting from the poor construction of our homes many years ago. Experts in the industry have stated that proper installation of windows was overlooked, flashing of windows/doors/and other areas of potential water entry were improperly completed, and adequate moisture management systems (behind the exterior layer) were not properly installed. Experts have also stated that this is not just a problem related to stucco, but also other materials such as brick and stone. And yet, somehow, our homes were inspected and ultimately approved for sale and occupancy.

For a large number of homeowners who purchased their homes in excess of 12 years ago, Toll has refused to fix the damage. As a result, some homeowners have begun to pay out-of-pocket to have the entire exterior of their home reconstructed. This is a cost that many of us may incur in the future since Toll Brothers has refused to help, with estimates approaching \$100K.

If your home is still under warranty we urge you to:

- Protect yourself and educate yourself
 - Go to 6abc.com and view Nydia Han's latest story on this issue;
<http://6abc.com/2009927/>
 - Go to the following link to view information in Toll's 2016 Annual Report where they tell investors that reserves have been set aside specifically for repairs related to "water infiltration";
<https://www.tollbrothers.com/pdfs/2016%20Annual%20Report.pdf>
- Submit a warranty claim to Toll Brothers requesting an inspection of external materials, windows, doors, etc. (a copy is attached for your use). It can be sent to the attention of Tony Geonnotti, VP of Construction, Toll Brothers, 250 Gibraltar Road, Horsham, PA, 19044. His office phone number is (267) 573-4916 / e-mail: tgeonnotti@tollbrothers.com
- Consider getting a moisture inspection to determine IF you suspect any damage has occurred.

PLEASE learn the facts and avoid a potentially massive and unexpected expense. It is obvious that there were many errors made by Toll Brothers and its subcontractors during construction. Please act now so that Toll Brothers is held accountable and liable for any potential defects.

Thank you.

P.S. PLEASE REFERENCE "OPERATION AWARENESS" ON YOU WARRANTY FORM!!

PLEASE MAIL TO:
 (YOUR COMMUNITY NAME)
 (PLEASE FILL IN ADDRESS BELOW)
 TOLL BROS, INC.,
 WARRANTY DEPT.

TOLL BROTHERS, INC.
WARRANTY REQUEST/INSPECTION

COMMUNITY: _____ TBI LOT# _____
 HOMEOWNER: _____
 STREET ADDRESS: _____
 PHONE NO.:(Home) () - (Work) () - _____
 SETTLEMENT DATE: _____ E-MAIL: _____

Dear Warranty Representative: We are requesting warranty performance on the items listed below for our new home.

INSTRUCTIONS: Please complete column A below. Columns B and C will be completed by a Toll Representative after the items are inspected. Column D to be initialed by homeowner upon completion of the work. **NOTE: EXCEPT IN AN EMERGENCY, ALL REQUESTS MUST BE MAILED TO THE WARRANTY DEPT. AND NOT TO THE FIELD CONSTRUCTION OFFICE.**

| | (A) DESCRIPTION | (B) INSPECTORS COMMENTS | (C) SUB. | (D) COMPLETE HO INIT. |
|---|--------------------|-------------------------------|-------------|-----------------------------|
| 1 | | | | |
| 2 | | | | |
| 3 | | | | |
| 4 | | | | |
| 5 | | | | |
| 6 | | | | |

Please be advised that: (Please Check One)

_____ Someone is usually home during the day _____ Someone will stay home by appointment

HOMEOWNER: _____ Date: _____

******TO BE COMPLETED AFTER ITEMS ARE INSPECTED******

The above items represent the agreed upon resolution of your warranty request. Toll Bros. will endeavor to complete these items within 30 days. I, the homeowner, will acknowledge completion of individual items by initialing and dating column D above.

HOMEOWNER _____ DATE: _____
 TOLL BROS, Inc. Warranty Rep: _____ DATE: _____

Distribution: CM: _____, Book _____ **TBI USE ONLY**
 Original: Corp.Lot File/VP _____ TBI Community # _____
 PM: _____ Other: _____
 Sr. Mgr./AVP: _____ Other: _____

Date Rec'd _____
 Date work orders issued: _____
SUBCONTRACTOR NOTE:
 Date work completion due: _____

OPERATION AWARENESS