What to Expect From Your New Home

California Transferable New Home Limited Warranty and Performance Standards

Del Webb®

Welcome.

Your new Del Webb home should give you the comfort and freedom to pursue the lifestyle you've always wanted. Peace of mind comes from thoughtful design, quality craftsmanship, and a warranty you can rely on.

In this book, you'll find everything you need to know about your home warranty. Take a moment to review it and then keep it in a safe place. Then, as a member of the Del Webb community, you can rest assured that answers and assistance are always close at hand.

Inside Your Home Warranty

Del Webb has a proven heritage of standing behind what we build. But just as reliable as your home's quality is our promise to deliver a level of individualized attention and service that clearly exceeds your expectations. Our goal is to make your life a bit easier, while you're busy discovering how extraordinary it can be.

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1: Overview



This section provides a general overview of the California Transferable New Home Limited Warranty, which consists of the Limited Warranty and the Performance Standards (collectively referred to as the "Limited Warranty") provided by PulteGroup, Inc. (Pulte, Centex, or Del Webb, as applicable) through the building subsidiary identified in your purchase agreement for the home (the "Builder"). The specific details, limitations, and conditions of the Limited Warranty are provided to you (the "Homeowner") in this book. If your home is financed through FHA/VA, please note the HUD Addendum at the end of the Limited Warranty.

The Limited Warranty includes procedures for informal settlement of disputes, such as arbitration, which will be binding on the Homeowner and the Builder. Additional information on the binding arbitration procedure can be found in the "Resolving Disputes" section of the Limited Warranty.

At PulteGroup, Inc., we value our ongoing relationship with you. With the Limited Warranty, you can be as confident as we are in the quality of construction, workmanship, and materials in your new home and that for many years to come we will stand behind the quality and performance of your new home.

We encourage you to read the Limited Warranty carefully.

Your Limited Warranty includes:

Performance Standards
The components of your home are warranted against construction defects and to meet the levels of construction quality and performance set forth in California Civil Code Sections 896 and 897 for the time periods set forth in California Civil Code Sections 896 and 941. These standards describe what you should expect from the components that make up your home. Your Limited Warranty also describes some common situations that can cause a component or system to be excluded from coverage under the Limited Warranty. For example, failure to perform routine maintenance or making modifications to your home may result in an item being excluded from coverage. For a complete description of exclusions, please consult the Limited Warranty.

If you believe a component in your home is not performing as it should, please consult the Limited Warranty for terms and conditions or contact a member of your local Customer Service Team.

Fit and Finish Standards
Fit and finish components of your home – such as cabinets, flooring, countertops, and trim – are warranted against fit and finish defects for one year as more fully set forth in your Limited Warranty.

During your pre-closing home orientation, you will have the opportunity to view the cosmetic condition of your home. Damage that occurs after the closing of your home and that is not the result of a construction defect, such as scratches to finished surfaces or damage to window screens, is not covered under the Limited Warranty.

Consumer Products

Certain consumer products in your home, such as appliances, water heaters, carpeting, and other manufactured items, are not covered under the Limited Warranty. Instead, these items are covered by a separate warranty issued by the manufacturer. Please consult the owner's manual for warranty and service information for consumer products.

The Spirit of the Limited Warranty

Our Limited Warranty commitment is easy to understand and is based on common sense. We believe the Homeowner has a right to expect a clean home complete and free of defects at the time of closing. Components should work. If there are problems because of construction defects, the Builder will arrange for repair or replacement. If a problem results from actions by occupants of the home or others, or from ordinary wear and tear, the Builder is not responsible for the resulting repair or replacement.

We view your Limited Warranty in terms of what you, as our customer, have a right to expect. We view the issue of preventative maintenance in terms of what your home has a right to expect from you. None of the materials used in the construction of your home will last forever. However, most will last for a long time if properly maintained. It is our desire to help you understand how to prolong the life of your home through regular maintenance that is appropriate for the types of material used in your home.

Your Rights and the Rights of Your Home

This section discusses, in general terms, what you can expect from the Builder in the construction of your home, and what your home should expect from you in ongoing maintenance and care. The actual coverage is described in the Limited Warranty provided in this book. The "Home Care Guide" that you will receive at closing contains most of the information you need to provide your home with the appropriate level of preventative maintenance.

Section 1: What the Homeowner Has a Right to Expect From the Builder

1.1 Components of Your Home

We warrant that the components of your home will meet the standards for those components set forth in California Civil Code Section 896 for the time periods set forth therein, except fit and finish components which we warrant will meet the standard of quality as measured by acceptable trade practices or applicable industry standards for one year after the warranty commencement date.

1.2 Mechanical Systems

Those systems installed in your home to provide power, water, treated air, ventilation, and waste disposal should operate properly and not materially impair the use of the home.

1.3 Care and Maintenance

Although things wear out, components in your home should last a reasonable length of time if you provide appropriate care and maintenance. This time will vary with geographical regions, the types of materials involved, and usage. As time goes on, adjustments will be required.

1.4 Common Elements

If your new home is part of a multifamily development, the common elements should be in the same clean and completed condition as your unit. This includes entries, common hallways, and common utility and service areas.

Section 2:
What Your Home Has a Right to Expect From You

2.1 Your home and lot were designed with a particular drainage pattern, which should carry rainwater away from the foundation. Water should not be directed to the edge of the foundation, either in the form of lot drainage or the watering of flowers, shrubs, or grass.

2.2 Concrete surfaces should be free of salts (for ice), other deicing chemicals, and excessive weight such as a moving van. Yard drainage should be maintained to divert water away from concrete surfaces, if possible, to eliminate the chance it will undermine the surface and erode the bearing soil.

2.3 Structural alterations to the home must be performed by professionals who understand the load-bearing requirements of the change. One of the reasons that local municipalities require permits for building alterations is to make sure that the structural integrity of the home is maintained.

2.4 In many cases, the seal around doors and windows is caulk. This material should be inspected annually and may need to be replaced after one to two years. Water from yard and lawn watering devices should not come in contact with the structure.

2.5 Since the mechanical systems of your home were designed for normal usage, placing unreasonable demands upon them will present problems. Plugging several electrical devices into one circuit may cause it to overload. Loading materials into a drain may cause it to clog. Undue weight should not be placed on pipes or showerheads because they can break. Some devices must be cleaned periodically (e.g., furnace filters) so that they can do what they were designed to do.

2.6 Wood requires cleaning and sealing to prevent problems associated with water penetration and continual exposure to the elements. Painted or sealed surfaces must be cleaned and refinished according to the requirements of your geographic area. If this is not done, the surface will deteriorate.

2.7 Instructions for care and maintenance are included with many components of your home, including finished flooring, appliances, and air handling equipment. Following these instructions will extend the life of these components.

2.8 The common areas require the same care and maintenance as your home. Although your homeowner or condo association is responsible for maintenance, all residents should strive to keep these areas clean and usable.

2: The Limited Warranty



Section 3: About This Warranty

3.1 Limited Warranty

This is an express limited warranty (this "warranty"). Reading this warranty will help you understand our commitment to you and your home. If you have questions about this warranty, please contact us. The contact information for your local Del Webb office can be found on our Web site at www.delwebb.com.

3.2 PulteGroup, Inc.

PulteGroup, Inc., markets its homes under various brand names, such as Pulte Homes, Centex, and Del Webb. Additionally, there are companies other than Pulte Home Corporation and Centex Homes in the PulteGroup, Inc., group of builders. The terms "we," "our," and "us" mean the building subsidiary in the PulteGroup, Inc., group of builders that contracted with you to warrant the home and that issued the warranty to you, if applicable.

3.3 Types of Homes Covered

This warranty covers both detached and attached homes, including, but not limited to, condominiums and townhomes. Section 9 addresses the matters that are applicable only to attached homes. The term "home" also includes attached and detached garages. If your home was used as a model home, then the coverage under this warranty may be modified and limited by a separate agreement between the original buyer and us.

3.4 FHA/VA – Addendum

If the initial purchase of the home was financed by an FHA or VA loan and that loan is still in effect, please refer to the HUD Addendum included later in this warranty. Any provision of this warranty marked with an asterisk (*) is modified by the HUD Addendum.

3.5 Other Rights

This warranty sets forth our written commitment to you regarding the warranty of your home. As a purchaser of a home, however, you may have legal rights different from and/or in addition to the coverage provided in this warranty.

3.6 Binding Arbitration*

THIS WARRANTY CONTAINS BINDING ARBITRATION PROVISIONS IN SECTION 8 CONTROLLED BY THE FEDERAL ARBITRATION ACT ("FAA"). YOU SHOULD READ THOSE PROVISIONS CAREFULLY. THEY REQUIRE THAT DISPUTES BE SUBMITTED TO A NEUTRAL THIRD-PARTY ARBITRATOR INSTEAD OF COURT OR JURY TRIAL. THIS WARRANTY DOES NOT CONSTITUTE AN ENHANCED PROTECTION AGREEMENT UNDER CALIFORNIA CIVIL CODE SECTIONS 901–906 OR ALTERNATIVE NON-ADVERSARIAL CONTRACTUAL PROVISIONS UNDER CALIFORNIA CIVIL CODE SECTION 914.

Section 4: Builder's Responsibilities*

4.1 Construction Defect and Other Definitions

(A) Construction defect. The term "construction defect" as used in this warranty means a condition that fails to meet the warranty provided in sections 4.2(A) or 4.2(B) during the applicable warranty coverage period set forth in that section. However, a construction defect does not include conditions that are caused by a condition or circumstance that is excluded from coverage under this warranty. For example, there is no construction defect if the cause of the defect is the failure to perform maintenance.

(B) Component. The term "component" means an item that was incorporated into the construction of your home by us, other than items specifically excluded by this warranty. The term does not include items added by you or anyone other than us, or added to the home after the warranty commencement date, such as improvements to the home or furniture.

(C) Fit and finish component. The term "fit and finish component" means cabinets, mirrors, flooring, interior and exterior walls, countertops, paint, and trim.

(D) Warranty commencement date. The term "warranty commencement date" means the date we initially closed the sale of the home to the first buyer, and that date is stated on the Limited Warranty Validation Form. However, for attached homes the building common elements have a different warranty commencement date as specified in section 9.2.

4.2 Warranty and Coverage Periods

(A) Performance warranty. We warrant that the components of your home will meet the standards for those components, set forth in California Civil Code Section 896, except fit and finish components, which are governed by section 4.2(B). If a component is not addressed in California Civil Code Section 896 or section 4.2(B), then we warrant that such component will meet the standard set forth in California Civil Code Section 897. We further warrant that the components of your home will meet such standards from the warranty commencement date until such time as an action can no longer be brought under California Civil Code Section 896 for a component's failure to comply with an applicable standard. If no such time is set forth in Section 896 for a component's failure to comply with an applicable standard, then we warrant that the component will meet such applicable standard from the warranty commencement date until such time as an action can no longer be brought under California Civil Code Section 941. The text of California Civil Code Sections 896, 897, and 941 is included with this warranty.

(B) Fit and finish warranty. We warrant for one year after the warranty commencement date that the fit and finish of a fit and finish component will meet the standard of quality as measured by acceptable trade practices or applicable industry standards. This fit and finish warranty shall not apply to damage to such fit and finish components caused by defects in other components.

*See the HUD Addendum for modifications to this section.

4.3 Performance Standards

The standards set forth in sections 4.2(A) and 4.2(B) will be used to determine if a component is performing within an acceptable tolerance.

4.4 Repair Obligations

(A) Repair of a construction defect. If a construction defect exists during an applicable warranty coverage period as provided in section 4.2, then we will take action as determined by us to correct the construction defect. Corrective action will be based on the individual circumstances and our judgment. The corrective action may include, but is not limited to, repair, adjustment, or, at our option, replacement of a defective or damaged component.

(B) Repair of other damage. We will also repair or, at our option, replace any component damaged by a construction defect. We are not, however, obligated to repair or replace any non-damaged component, unless it is a fit and finish component or as otherwise required by California Civil Code Section 896.

(C) Cost of repair. Instead of correcting a construction defect, we may decide at our option to pay you the reasonable cost of same.

(D) Repair materials and appearance. If a corrected component is adjacent to the same type of component, we will use materials similar in quality and appearance, to the extent reasonably available, so that the corrected component is reasonably similar to the adjacent non-damaged component. However, because of product variations, age, dye lots, availability of materials, normal wear and tear, and similar factors, we are not obligated to match materials and finishes exactly.

Section 5: Homeowner's Responsibilities

5.1 Responsibility to Maintain

You must maintain your home to ensure proper performance and to avoid premature deterioration. Maintenance is your responsibility, as this warranty is not a maintenance contract. You should become familiar with proper maintenance requirements. Your ongoing maintenance responsibilities include, but are not limited to, periodic repainting, resealing of finished surfaces as necessary, caulking, maintenance of mechanical systems, preservation of grading around the home, and cleaning of drainage systems to allow for proper drainage of water away from the home. You are responsible for all construction defects and damages caused by the lack of maintenance or by improper maintenance. Such construction defects and related damages are excluded from coverage under this warranty. We will provide a maintenance manual to you, but the failure to provide it to you does not relieve you of your maintenance obligations. You are obligated to maintain your home, including, but not limited to, the maintenance as provided in any maintenance or other manual or materials made available or provided to you, as well as those provided or available to you by product manufacturers or suppliers. You are further obligated to perform all necessary, reasonable, and customary maintenance to your home. In circumstances where a homeowners association or property owners association is responsible for performing certain maintenance, the foregoing maintenance provisions shall also apply to the association with respect to building common elements (see section 9.3(B)), if applicable. However, it is still your responsibility to make sure the maintenance is performed either by the association or you.

5.2 Responsibility for Proper Use

You are responsible for any improper use of your home, including, but not limited to, unreasonable use, intentional damage, and the use of your home for anything other than a single-family residence.

5.3 Responsibility to Provide Notice – Mitigation of Damages

If you believe your home has a construction defect covered by this warranty, you must give us timely notice in the manner described in section 7. We are not responsible for any damage that occurs because you failed to timely notify us or because you failed to take reasonable action to prevent the damage.

Section 6: Coverage Exclusions and Limitations

6.1 Exclusions – Items Not Covered by This Warranty

The following, and damages caused by the following, are not covered by this warranty, except to the extent required by law (including, without limitation, California Civil Code Section 896).

(A) Utilities. Utility services and equipment that were not installed by us.

(B) Pollutants and contaminants. Any claim that a component of the home or property under or surrounding the home contains or is releasing any pollutant or contaminant, including, but not limited to, radon, electric magnetic fields, allergens, mold, fungus, spores, bacteria, toxic or hazardous chemicals, and waste materials, except to the extent such pollutant or contaminant occurred because of a construction defect that exists during the applicable warranty coverage period.

(C) Homeowners association or property owners association improvements. This warranty does not cover any improvements owned by any homeowners association or property owners association, including, but not limited to, swimming pools, clubhouses, recreational buildings, streets, and sidewalks. For attached homes, building common elements are warranted as provided in section 9.

6.2 Homeowner Responsibility for Certain Other Actions or Events

This warranty is not an insurance policy. You are responsible for damages not related to our construction of your home; you and your homeowners association, if applicable, should obtain homeowners insurance to protect against such risk. Any component of the home that fails to comply with the performance standards due to any of the conditions or reasons in this section 6.2 will not be considered a construction defect and thus is excluded from coverage under this warranty, except to the extent required by law (including, without limitation, California Civil Code Section 896). Additionally, we are not responsible for any damages caused by or resulting from such conditions or reasons.

(A) Modifications to your home. Any item added or any modifications made to your home by you or anyone other than us or made after the commencement date of this warranty. Modifications include, but are not limited to, improvements, additions, and alterations to your home, changes in grading or drainage of the lot, and the use of furnishings or other personal property that overload any component of your home.

(B) Normal deterioration, ordinary wear and tear, or failure based on the expected useful life of a component.

(C) Damage caused by anyone other than us.

(D) Abuse or excessive use of a component.

(E) Acts of nature or God. Acts of nature or God, including, but not limited to, fire, lightning, excessive rain, ice, snow, hail, floods, earthquakes, mudslides, changes in the underground water table that were not reasonably predictable by us, high winds (including, but not limited to, gale force winds, hurricanes, tropical storms, and tornadoes), and any other excessive type of weather.

(F) Animals, including, but not limited to, insects, termites, birds, rodents, and other vermin.

(G) Failure to provide proper ventilation. Dampness or condensation due to your failure to provide adequate or proper ventilation.

(H) Failure to maintain proper temperatures (heating and cooling) within your home.

(I) Soil movement and subsidence (including, but not limited to, a landslide) which was not reasonably predictable through reasonable investigation (soil testing or other geological investigation) at the time of constructing the home (this exclusion does not apply to any home financed with an FHA or VA loan that is still in effect).

(J) Failure to timely notify us of a construction defect in the manner described in section 5.3.

(K) Failure to timely take action to prevent damage as provided in section 5.3.

6.3 Harmless Deviations

This warranty does not cover any nonconformity with or deviation from plans, specifications, manufacturer's recommendations, or building code requirements, unless it results in a construction defect.

6.4 Consequential Damage

We are not obligated to repair or pay for any other damage – often called "consequential" or "incidental" damage – associated with or resulting from an alleged construction defect. Consequential and incidental damages not covered by this warranty include, but are not limited to, the following:

(A) Temporary living expenses, including, but not limited to, shelter, transportation, food, moving, storage, or other expenses; but if we determine it is necessary to temporarily move you out of the home while we perform repairs, we will pay the cost of alternative lodging as provided in section 7.1(D);

(B) Loss of use, lost profits, lost income, business interruption, mortgage payments, security costs, inconvenience, or annoyance; and

(C) Diminished value of your home. However, we will repair or pay for consequential damages as described in section 4.4(B) and section 7.1 or as required by law (including, without limitation, California Civil Code Section 944).

6.5 Appliances – Consumer Products

(A) Definition. The term "consumer products" means all appliances, pieces of equipment, or other items that are a consumer product for the purposes of the Magnuson-Moss Warranty Act (15 U.S.C. § 2301, et seq.). The term includes, but is not limited to, a refrigerator, freezer, trash compactor, range, oven, kitchen center, dishwasher, oven hood, microwave oven, clothes washer and dryer, air conditioning system, boiler, heat pump, space heater, furnace, central vacuum system, smoke detector, fire alarm, humidifier, ice maker, garage-door opener, chimes, water pump, intercom, burglar alarm, whirlpool bath, garbage disposal, water heater, electronic air cleaner, exhaust fan, thermostat, fire extinguisher, electric meter, gas or electric barbecue grill, water softener, and sump pump.

(B) Manufacturers' warranties – assignment of rights. We assign to you the manufacturers' warranties for consumer products in your home.

(C) Exclusion from coverage – except improper installation. Consumer products are excluded from coverage under this warranty except to the extent required by law (including, without limitation, California Civil Code Section 896(g)(3)). However, we will be responsible for damage caused by our improper installation of a consumer product or other act by us causing such damage.

(D) Warranty procedures for consumer products. If a consumer product malfunctions or is otherwise defective, you should follow the procedures in the applicable manufacturer's warranty documents. If you need help notifying a manufacturer of a problem, please let us know and we will try to help you.

6.6 Waiver of Any Other Warranties – Exclusive Warranty

TO THE FULLEST EXTENT PERMITTED BY LAW, ALL WARRANTIES REGARDING YOUR HOME AND ANY BUILDING COMMON ELEMENT, INCLUDING, BUT NOT LIMITED TO, STATUTORY AND IMPLIED WARRANTIES, ARE HEREBY DISCLAIMED BY US AND WAIVED BY YOU. THIS WARRANTY IS SUBSTITUTED IN PLACE OF ALL SUCH WARRANTIES. THIS MEANS THAT THIS WARRANTY IS THE ONLY WARRANTY THAT APPLIES AND GOVERNS YOUR AND OUR RIGHTS AND OBLIGATIONS RELATED TO YOUR HOME AND THAT THERE ARE NO OTHER WARRANTIES EXCEPT AS MAY BE REQUIRED BY LAW.

(A) EXAMPLES OF DISCLAIMED WARRANTIES. EXAMPLES OF WARRANTIES THAT ARE DISCLAIMED BY US AND WAIVED BY YOU INCLUDE, BUT ARE NOT LIMITED TO, STATUTORY WARRANTIES, IMPLIED WARRANTY OF QUALITY OR FITNESS FOR USE OR A PARTICULAR PURPOSE, A WARRANTY OF CONSTRUCTION IN A GOOD AND WORKMANLIKE MANNER, WARRANTY OF HABITABILITY, AND WARRANTY OF MERCHANTABILITY.

(B) NON-WAIVABLE WARRANTIES. YOU ARE ENTITLED TO (AND NOTHING IN THIS SECTION 6.6 REDUCES) ANY WARRANTY COVERAGE PROVIDED BY LAW THAT MAY NOT BY LAW BE WAIVED, DISCLAIMED, OR REDUCED BY THIS WARRANTY OR SUBSTITUTED WITH THE TERMS OF THIS WARRANTY. IF AN ARBITRATOR OR COURT DETERMINES THAT A WARRANTY CANNOT BE WAIVED, DISCLAIMED, OR REDUCED BY THIS WARRANTY OR SUBSTITUTED WITH THE TERMS OF THIS WARRANTY BY LAW, THEN THE SPECIFIC TERM IN THIS WARRANTY THAT CONFLICTS WITH THE WARRANTY TERM THAT MAY NOT BE WAIVED, DISCLAIMED, REDUCED, OR SUBSTITUTED WILL NOT APPLY, BUT ALL OTHER TERMS WILL REMAIN APPLICABLE TO THE EXTENT PERMITTED BY LAW.

Section 7: Requesting a Home Repair

7.1 Procedure

If you believe there is a construction defect covered by this warranty, you must take these steps:

(A) Step 1 – Contact us. Contact us with details of your concerns as soon as possible. Conditions that could cause additional damage, such as water leaks, should be reported immediately. Do not communicate your request to any person that is not our employee, such as a contractor. Please contact our local office and ask to speak with a warranty or customer care representative. If you do not know the contact information for our local office, please visit our Web site at www.delwebb.com. Our goal is to promptly respond to all warranty-related requests, so if you do not receive an acknowledgment within a reasonable time, please follow up to make sure your message was not misdirected. Except as otherwise required by law, all warranty claims must be received by us no later than 30 days after the expiration of the applicable warranty coverage period. Please note that this provision does not extend the warranty coverage period.

(B) Step 2 – Allow us to investigate. We will review the information you give us and investigate your concerns. Our investigation may involve sending employees or consultants to your home to inspect the component or to perform tests or other analysis. If that is necessary, we will need your cooperation, which will often include, but not be limited to, meeting us or our representatives at your home during our normal working hours.

(C) Step 3 – Our response. After investigating, we will inform you whether there is a construction defect covered under this warranty. If there is a covered construction defect, we will repair or, at our option, replace it as provided in this warranty. Alternatively, instead of correcting the construction defect, we may decide at our option to pay you the cost of correction as provided in section 4.4(C).

(D) Step 4 – Repair process. We will need access to your home during our normal working hours to perform the repair work. We prefer not to be in your home when you are not there, so we may ask you to be at home when the work is performed. We will start and complete the work as soon as possible based on your schedule, our work schedule, and the availability of the contractors and materials required to do the work. Your cooperation and flexibility are needed for us to complete the work promptly. If the required repairs are so extensive that we determine that you need to temporarily move out of the home until the work is finished, we will reimburse you the reasonable costs for alternative lodging.

7.2 Failure to Allow Us to Make Repairs

We are not responsible for any damage that occurs because you failed to allow us to timely make repairs. Additionally, if you make or pay for repairs without first notifying us of the problem and allowing us to investigate and repair it as required by this warranty, then we will not reimburse you for those repairs.

7.3 Emergency Repairs

If an emergency condition exists that requires immediate repairs to protect the safety of occupants of your home or to prevent imminent serious damage to your home, you may make the repairs and we will reimburse you the reasonable cost of those required repairs that would otherwise be covered by this warranty. You are still obligated to give us notice as soon as possible, even in an emergency situation.

7.4 Repairs by or Payment From Insurance Company – Waiver of Claims

Coverage for construction defects is provided by this warranty and we encourage you to submit construction defect claims to us. This warranty, however, is not a homeowner's insurance policy, which typically provides coverage for certain property damages and casualty losses. If you receive from an insurance company or any other party payment or repairs relating to or arising from a construction defect, then to the extent permitted by law you hereby waive for yourself and on behalf of anyone acquiring rights through you – including, but not limited to, any insurance company – all subrogation claims and other claims against us for such payments or repairs received by you.

Section 8: Resolving Disputes*

8.1 Overview

Our preferred method of resolving warranty claims is to address them directly with you. That is why we require the procedure described in section 7. If we, however, are unable to resolve your concerns, you have the option of requesting mediation as provided in section 8.2 below. If you elect not to pursue mediation or if mediation does not resolve the dispute, then the dispute must be resolved by binding arbitration as provided in this section 8.

8.2 Mediation by PWSC

If you are not satisfied with our response to your warranty request, you have the option of requesting mediation of your warranty request by providing written notice to Professional Warranty Service Corporation ("PWSC"). PWSC's contact information is: Professional Warranty Service Corporation, P.O. Box 800, Annandale, VA 22003-0800 (or 4443 Brookfield Corporate Drive, Suite 300, Chantilly, VA 20151). Confirm the physical address before sending hand-delivered materials by calling 800-850-2799. Mediation is not arbitration. It is simply the process of a third party trying to help other parties resolve a dispute. If PWSC is unable to successfully mediate your warranty request within 45 days after PWSC's receipt of the mediation request, or at any earlier time that PWSC determines that you and your builder are at an impasse, PWSC will notify you that your warranty request remains unresolved. At any time you may terminate the mediation process. Your election to mediate a dispute regarding your warranty request does not eliminate your obligation to comply with the pre-litigation procedures set forth in California Civil Code Sections 910–928.

8.3 Arbitration

If a claim relating to your home or this warranty is not resolved, we believe it is best to have a fair and efficient way to resolve that claim. Accordingly, either party must submit any unresolved claim or dispute concerning your home or this warranty, whether based on statute, in tort, contract, or other applicable law (including, but not limited to, any and all claims, cross- or counterclaims, defenses, and/or affirmative defenses related to the purchase and sale of your home, disputes regarding whether a defect is covered by this warranty, and claims for personal injury), to binding arbitration, except that either party may bring any claim to a small-claims court if the claim is within the small-claims court's geographic and monetary jurisdiction. Binding arbitration means that we each give up the right to go to court or jury to assert or defend rights (except for matters that may be taken to small-claims court). That does not mean, however, that you give up any claims simply by presenting those claims to an arbitrator. The parties' rights will be determined by a neutral arbitrator and not by a judge or jury. An arbitrator's decision is final and binding, subject to appeal as provided later in this warranty. If a party uses litigation to enforce the requirement to arbitrate, the court will award such party its court costs and reasonable attorneys' fees.

8.4 Applicable Law

This warranty, including, but not limited to, the arbitration provision, will be governed by the FAA (see section 3.6), which overrides and preempts certain California state, local, or other laws concerning arbitration, including, but not limited to, laws that have the purpose of defeating or restricting arbitration.

*See the HUD Addendum for modifications to this section.

8.5 Appointment of Arbitrator

The arbitration will be conducted before an arbitrator appointed by the American Arbitration Association (the "AAA"). If the AAA declines to arbitrate a dispute, or if the AAA is not available, the parties will agree to an alternative arbitrator or have a court appoint a new arbitrator whose experience and training in construction arbitration is similar to that of an AAA-trained arbitrator. Any disputes concerning the interpretation, the enforceability, or the unconscionability of this arbitration agreement, including, without limitation, its revocability or voidability for any cause, the scope of arbitrable issues, and any defense, including, without limitation, defenses based upon waiver, estoppel, or laches, shall be decided solely by the arbitrator.

8.6 Construction Arbitration Rules

The arbitration will proceed in accordance with the AAA's rules applicable to the dispute. With respect to any portion of the dispute pertaining to a construction issue, the arbitration will proceed in accordance with the AAA's Home Construction Arbitration Rules. If those rules have been repealed or replaced at the time the arbitration claim is filed, the AAA's rules then most applicable to residential construction will apply. However, we will be entitled to visually inspect and perform testing on any component claimed to have a construction defect and no AAA rule shall apply if it is inconsistent with the provisions of this warranty.

8.7 Neutral, Experienced Arbitrator

The arbitrator appointed pursuant to section 8.5 of the warranty shall be a neutral, impartial individual who is either a retired judge or an attorney licensed to practice law in California who has at least 15 years of experience, with substantial experience in the type of matter in dispute and with a strong emphasis on the laws governing real estate matters, especially those dealing with residential real estate development and construction. The arbitrator shall not have any relationship to the parties to the dispute or any interest in the property or the project in which the property is located. The arbitrator shall be selected from a panel in accordance with the rules described in section 8.6, but in no event more than 60 days after written submission to arbitrate.

8.8 Joinder of Additional Parties to Arbitration

We both agree that:

(A) Any dispute covered by section 8.3 that involves claims against our officers, directors, agents, employees, representatives, and parent, subsidiary, affiliate, or successor entities, future acquired entities, or affiliated companies, also will be resolved through binding arbitration as set forth herein. This arbitration agreement inures to the benefit of those parties.

(B) Either party may join as a party to the arbitration any third-party consultant, contractor, subcontractor, or supplier (including, but not limited to, any contractor, vendor, engineer, architect, or design professional) involved in the dispute.

8.9 Initiating Arbitration

Either party may begin the arbitration process by filing a demand for arbitration with the AAA and serving a copy of the demand on the other party. To the extent not inconsistent with the FAA, all of the provisions of this paragraph are subject to the general qualification that California laws, requirements, and rules, including, but not limited to, state filing limitations (such as statute of limitations and statutes of repose), may affect how and when arbitration may be initiated and administered. The following is a brief description of the steps to initiate arbitration and the arbitration process:

(A) Step 1 – Filing a Request. The party initiating arbitration must notify the AAA in writing of the request for arbitration under the terms of this warranty. If we initiate arbitration, we will pay the AAA's filing fee and any other administrative fee or cost charged by the AAA to initiate the arbitration. If you initiate arbitration, you will pay the lesser of half of those costs and fees or the amount provided by the AAA rules, and we will pay the other half or remainder. Any other costs or fees shall be paid in accordance with the AAA rules. Except as otherwise required by law, your arbitration request must be received by the AAA no later than 90 days after the expiration of the applicable warranty coverage period. Please note that this provision does not extend the warranty coverage period. Under no circumstances, however, shall you be required in any consumer arbitration to pay our share of fees and costs (including, but not limited to, the fees and costs of the arbitrator, the provider organization, or our attorney or witnesses).

(B) Step 2 – Hearing. The arbitration will probably be held at a location agreed to by the parties, usually in the metropolitan area where the home is located. The hearing typically will be scheduled by the arbitrator or the arbitration organization at a time mutually agreeable to all parties. At the hearing, the arbitrator will hear and consider evidence presented by all parties. If a party timely notifies the AAA of a request for a record of the hearing prior to the earlier of the hearing date or the date, if specified, in the AAA's rules, the arbitrator will preserve all evidence presented at the arbitration. Oral evidence will be preserved in a manner that it can be converted into a written transcript. The costs of the record will be paid by the party requesting the record or shared equally among the parties requesting a copy.

(C) Step 3 – Award. The arbitrator's award will decide whether there is a construction defect covered by this warranty and, if requested by a party, the scope and manner of correction. The arbitrator's award will be based on applicable California law, except to the extent the FAA overrides and preempts California state, local, or other law, and will include findings of fact and conclusions of law. If permitted by the AAA rules, either party may request a written explanation of the award. Each party will bear its own attorneys' fees and costs.

(i) Right to appeal award. Each party has the right to appeal the arbitrator's award by filing a written notice with the AAA (with a copy to the other party) within 30 days of the date of the arbitrator's award. The party appealing the award shall pay the fees necessary to initiate the appeal. If both sides appeal, the fees shall be split 50/50. The notice of appeal must include the specific items the party seeks to change in the award and the supporting facts and law. The appeal will be heard by a panel of three arbitrators from the AAA. The appeal will be conducted in accordance with the applicable rules of the AAA and provisions of this warranty as if the claim was being initially filed with the AAA, except that: (i) the only issues to be determined on appeal are the issues described in the notice of appeal and any issues raised by the non-appealing party in response to the issues in the notice of appeal; (ii) the arbitrators' award on appeal will be final, binding, and non-appealable; and (iii) no new evidence will be accepted or considered by the arbitrators if a record of the initial arbitration was made.

(ii) Award final. The award of the arbitrator will be final, subject to appeal as provided above.If a notice of appeal from the initial hearing is not received by the AAA within 30 days after the date of the initial award, then the initial award will be final. Once the award is final, it will be binding on and enforceable against all parties, except as modified, corrected, or vacated according to the applicable arbitration rules and procedures or to the extent not inconsistent with the FAA or California law. Either party may present the final award to any court having jurisdiction over the dispute to enter that award as a judgment of the court.

(D) Step 4 – Repairs. Unless designated otherwise in the award (and unless appealed), we will, within 10 days after a final award, elect to either perform the correction awarded by the arbitrator or, at our option, pay you the reasonable cost of such correction. If we elect to perform a correction under an award, we will complete the correction within 60 days after a final award or as may be specified by the arbitrator. If the correction cannot be reasonably completed in that time, the arbitrator must grant reasonable additional time to make the correction. If you believe that the correction was not performed satisfactorily or in a timely manner, you may have these issues determined in a later arbitration. If the cost of correction is not specified in the award and we elect to pay you the reasonable cost of the correction, you may have the amount of that payment reviewed in a later arbitration.

Section 9: Attached Homes

9.1 Scope of Warranty for Attached Homes

For homes that are physically attached to other homes, this warranty includes coverage for both the portion of the home owned exclusively by you and the building common elements. Building common elements are those elements and property that (1) are part of the building or structure in which the home is located, and (2) either owned in common by all of the owners in the building or owned, insured, or maintained by an owners association. Building common elements may, but do not always, include items such as walls, foundations, and roofs. However, building common elements do not include items such as clubhouses, exterior walkways, streets, swimming pools, and recreational buildings.

9.2 Warranty Coverage Period Commencement Date for Building Common Elements

Unless otherwise required by law, the warranty coverage period commencement date for building common elements will begin on the date title to the first home in the building is transferred to the first homeowner in that building, and end on the expiration date of the applicable warranty coverage period for such home.

9.3 Filing a Warranty Claim

(A) Component – other than a building common element. You may make a warranty claim for construction defects in a component of your home that is owned exclusively by you and not maintained or insured by the owners association.

(B) Building common element. Unless otherwise required by law, claims that a building common element has a construction defect must be made by the owners association, and may not be made by an individual homeowner. If you believe a building common element has a construction defect, you should inform your association. Although you may contact us to report a construction defect, this does not change the fact that the association, through its board of directors or a validly elected or appointed officer, is the appropriate party to submit, process, or settle claims related to building common elements.

Section 10: General Information

10.1 Insured Warranty – HUD

Our obligations under this warranty are backed by insurance coverage from a member company of Zurich North America group where such coverage is required by HUD, the VA, or other applicable laws or regulations requiring or regulating new home insured warranties. In those circumstances only, if we do not meet our obligations under this warranty, then (i) you can submit a claim to PWSC, who will process the claim on behalf of the insurer, and (ii) the insurer is responsible to perform our obligations under this warranty. However, if a warranty claim must be resolved by the insurer, the total liability of the insurer under this warranty is limited to, and will not exceed, the following amount (i) the lesser of: (a) the total sales price of the home paid by the original purchaser to us, or (b) the reasonable cost of correcting the construction defect; (ii) less all amounts paid by or on behalf of us or the insurer under this warranty. For additional details regarding the insurer's obligations, see the HUD Addendum.

10.2 Modifications
This warranty cannot be modified except in writing signed by our authorized officer.

10.3 Force Majeure (Delaying Events)
The performance of our obligations under this warranty may be delayed by events beyond our reasonable control, including, but not limited to, adverse weather, acts of nature, strikes, material shortages, acts of government, or third parties not within our control, and your failure to cooperate. After the delaying event ends, we will resume and continue our performance obligations. Any delay resulting from a force majeure event will result in an extension of the time for us to perform our obligations equal to the number of days the event lasted. However, any extension of time for us to perform due to a force majeure event does not extend the warranty coverage period.

10.4 No Warranty Extension
Investigations, repairs, replacements, and other actions taken by us with respect to your home will not extend the warranty coverage period or any other limitations period within which you must bring a claim.

10.5 Transfer of Warranty to Subsequent Owners
This warranty is provided to the original owner of the home and it automatically transfers to the subsequent owner upon the transfer of title to the home. However, the transfer of this warranty does not extend the warranty coverage period. You agree to provide a copy of this warranty to the subsequent owner who purchases the home from you. To assist with record keeping, we ask that you inform us of ownership changes by using the Subsequent Homeowner Transfer Form included with this warranty. Additional forms are also available by contacting us or PWSC. Each subsequent owner will be bound by (1) all terms of this warranty, including, but not limited to, those regarding arbitration; and (2) every act or failure to act by any past owner to the extent that the act or failure to act affects this warranty or the rights and obligations of either party.

10.6 Additional Documents
The performance standards and the HUD Addendum (if applicable) are incorporated into this warranty by reference. The terms of this warranty will control and govern over the terms of the performance standards, but not over the HUD Addendum.

10.7 Severability
If any provision of this warranty is held to be illegal, invalid, or unenforceable under present or future laws, that provision will be fully severable. This warranty will then be construed and enforced as if the illegal, invalid, or unenforceable provision had never been a part of it, and the remainder of this warranty will be enforced to the greatest extent permitted by law.

3: HUD Addendum



Section 11: HUD Addendum

(Applicable to homes if originally purchased with an FHA or VA mortgage that is still in effect.)

Any inconsistency between this HUD Addendum and the warranty will be governed and controlled by this HUD Addendum.

The Following Language Is Added to Section 4 of the Warranty

The warranty commencement date and the effective date of this warranty will be the date on which closing or settlement occurs in connection with the initial sale of the home, but in no event will the warranty commencement date be later than the date of FHA endorsement of your mortgage on the home.

Notwithstanding anything to the contrary contained in this warranty, during the first year of coverage, we will correct construction deficiencies in workmanship and materials resulting from the failure of your home to comply with standards of quality as measured by acceptable trade practices. Construction deficiencies are defects (not of a structural nature) in your home that are attributable to poor workmanship or to the use of inferior materials which result in the impaired functioning of your home or some part of the home. Defects resulting from abuse or conditions considered to be normal wear and tear are not considered construction deficiencies. Further, during the first year of warranty coverage we will correct problems with, or restore the reliable function of, appliances and equipment damaged during installation or that we improperly installed.

Structural defects are included in the 10-year warranty coverage period. A structural defect is actual physical damage to the designated load-bearing portions of a home caused by a failure of such load-bearing portions that affects their load-bearing functions to the extent your home becomes unsafe, unsanitary, or otherwise unlivable. Load-bearing components for the purpose of defining structural defects are defined as follows: footing and foundation systems; beams; girders; lintels; columns; load-bearing walls and partitions; roof framing systems; and floor systems, including basement slabs for the first through fourth years if the home is located in an area designated by HUD regulations on the warranty commencement date as containing expansive or collapsible soils (HUD has designated the State of Colorado as such an area). Damage to the following non-load-bearing portions of your home is not considered to be a structural defect: roofing; drywall and plaster; exterior siding; brick, stone, or stucco veneer; floor covering material; wall tile and other wall coverings; non-load-bearing walls and partitions; concrete floors in attached garages; electrical; plumbing, heating, cooling, and ventilation systems; appliances, fixtures, and items of equipment; paint; doors and windows; trim, cabinets, hardware, and insulation. Repair of a structural defect is limited to: (1) the repair of damage to designated load-bearing portions of your home which is necessary to restore their load-bearing ability; (2) the repair of designated non-load-bearing portions, items, or systems of your home, damaged by a structural defect, which make your home unsafe, unsanitary, or otherwise unlivable (such as the repair of inoperable windows, doors, and the restoration of functionality of damaged electrical, plumbing, heating, cooling, and ventilating systems); and (3) the repair and cosmetic correction of only those surfaces, finishes, and coverings, original with your home, damaged by the structural defect, or which require removal and replacement attendant to repair of the structural defect.

The warrantor (us or the insurer, as applicable) has the right and authority to make the decision whether to repair, replace, or pay you the reasonable cost of repair or replacement in lieu of performing such repair or replacement. If the warrantor decides to pay you the cost of repair or replacement of a warranty claim, such cash settlement offer will be made in writing and you will be given two weeks to respond. Cash settlement offers over $5,000.00 are subject to an on-site review by a HUD-approved fee inspector (inspection costs will be paid by the warrantor) unless: (1) the cash settlement offer is made pursuant to a binding bid by an independent third-party contractor that will accept an award of contract from you pursuant to such bid; or (2) payment is being made in settlement of a legal action; or (3) you are represented by legal counsel. The payment will be made jointly to you and the mortgagee. You are required, if requested, to identify the mortgagee to the party making the payment. If a payment in lieu of repairs is made, your mortgagee may require repairs or a reduction in the mortgage debt.

In accordance with HUD and VA regulations, our obligations under this warranty are insured as provided in section 10.1 of the warranty, such that a member of the Zurich North America group insures our obligations if we should default in our warranty obligations under the warranty. You should report any warranty problems which are not promptly resolved by us to PWSC, the administrator of this warranty plan.

The Following Language Is Added to Section 8 of the Warranty

If the initial purchase of the home was financed with an FHA or VA mortgage that is still in effect, you are not required to submit disputes seeking coverage under this warranty to the binding arbitration procedure available in the warranty. However, all other disputes are subject to arbitration. If you elect to pursue a dispute seeking coverage under this warranty to a final judicial resolution, then such election will bar you from pursuing the same dispute against this warranty through the binding arbitration procedure provided herein.

4: Performance Standards



California Transferable New Home Limited Warranty

California Civil Code Sections 896, 897, and 941

§ 896. Building Standards for Original Construction Intended to Be Sold as an Individual Dwelling Unit

In any action seeking recovery of damages arising out of, or related to deficiencies in, the residential construction, design, specifications, surveying, planning, supervision, testing, or observation of construction, a builder, and to the extent set forth in Chapter 4 (commencing with Section 910), a general contractor, subcontractor, material supplier, individual product manufacturer, or design professional, shall, except as specifically set forth in this title, be liable for, and the claimant's claims or causes of action shall be limited to violation of, the following standards, except as specifically set forth in this title. This title applies to original construction intended to be sold as an individual dwelling unit. As to condominium conversions, this title does not apply to or does not supersede any other statutory or common law.

(a) With respect to water issues:

(1) A door shall not allow unintended water to pass beyond, around, or through the door or its designed or actual moisture barriers, if any.

(2) Windows, patio doors, deck doors, and their systems shall not allow water to pass beyond, around, or through the window, patio door, or deck door or its designed or actual moisture barriers, including, without limitation, internal barriers within the systems themselves. For purposes of this paragraph, "systems" include, without limitation, windows, window assemblies, framing, substrate, flashings, and trim, if any.

(3) Windows, patio doors, deck doors, and their systems shall not allow excessive condensation to enter the structure and cause damage to another component. For purposes of this paragraph, "systems" include, without limitation, windows, window assemblies, framing, substrate, flashings, and trim, if any.

(4) Roofs, roofing systems, chimney caps, and ventilation components shall not allow water to enter the structure or to pass beyond, around, or through the designed or actual moisture barriers, including, without limitation, internal barriers located within the systems themselves. For purposes of this paragraph, "systems" include, without limitation, framing, substrate, and sheathing, if any.

(5) Decks, deck systems, balconies, balcony systems, exterior stairs, and stair systems shall not allow water to pass into the adjacent structure. For purposes of this paragraph, "systems" include, without limitation, framing, substrate, flashing, and sheathing, if any.

(6) Decks, deck systems, balconies, balcony systems, exterior stairs, and stair systems shall not allow unintended water to pass within the systems themselves and cause damage to the systems. For purposes of this paragraph, "systems" include, without limitation, framing, substrate, flashing, and sheathing, if any.

(7) Foundation systems and slabs shall not allow water or vapor to enter into the structure so as to cause damage to another building component.

(8) Foundation systems and slabs shall not allow water or vapor to enter into the structure so as to limit the installation of the type of flooring materials typically used for the particular application.

(9) Hardscape, including paths and patios, irrigation systems, landscaping systems, and drainage systems, that is installed as part of the original construction, shall not be installed in such a way as to cause water or soil erosion to enter into or come in contact with the structure so as to cause damage to another building component.

(10) Stucco, exterior siding, exterior walls – including, without limitation, exterior framing – and other exterior wall finishes and fixtures and the systems of those components and fixtures, including, but not limited to, pot shelves, horizontal surfaces, columns, and plant-ons, shall be installed in such a way so as not to allow unintended water to pass into the structure or to pass beyond, around, or through the designed or actual moisture barriers of the system, including any internal barriers located within the system itself. For purposes of this paragraph, "systems" include, without limitation, framing, substrate, flashings, trim, wall assemblies, and internal wall cavities, if any.

(11) Stucco, exterior siding, and exterior walls shall not allow excessive condensation to enter the structure and cause damage to another component. For purposes of this paragraph, "systems" include, without limitation, framing, substrate, flashings, trim, wall assemblies, and internal wall cavities, if any.

(12) Retaining and site walls and their associated drainage systems shall not allow unintended water to pass beyond, around, or through their designed or actual moisture barriers, including, without limitation, any internal barriers, so as to cause damage. This standard does not apply to those portions of any wall or drainage system that are designed to have water flow beyond, around, or through them.

(13) Retaining walls and site walls, and their associated drainage systems, shall only allow water to flow beyond, around, or through the areas designated by design.

(14) The lines and components of the plumbing system, sewer system, and utility systems shall not leak.

(15) Plumbing lines, sewer lines, and utility lines shall not corrode so as to impede the useful life of the systems.

(16) Sewer systems shall be installed in such a way as to allow the designated amount of sewage to flow through the system.

(17) Showers, baths, and related waterproofing systems shall not leak water into the interior of walls, flooring systems, or the interior of other components.

(18) The waterproofing system behind or under ceramic tile and tile countertops shall not allow water into the interior of walls, flooring systems, or other components so as to cause damage. Ceramic tile systems shall be designed and installed so as to deflect intended water to the waterproofing system.

(b) With respect to structural issues:

(1) Foundations, load-bearing components, and slabs shall not contain significant cracks or significant vertical displacement.

(2) Foundations, load-bearing components, and slabs shall not cause the structure, in whole or in part, to be structurally unsafe.

(3) Foundations, load-bearing components, slabs, and underlying soils shall be constructed so as to materially comply with the design criteria set by applicable government building codes, regulations, and ordinances for chemical deterioration or corrosion resistance in effect at the time of original construction.

(4) A structure shall be constructed so as to materially comply with the design criteria for earthquake and wind load resistance, as set forth in the applicable government building codes, regulations, and ordinances in effect at the time of original construction.

(c) With respect to soil issues:

(1) Soils and engineered retaining walls shall not cause, in whole or in part, damage to the structure built upon the soil or engineered retaining wall.

(2) Soils and engineered retaining walls shall not cause, in whole or in part, the structure to be structurally unsafe.

(3) Soils shall not cause, in whole or in part, the land upon which no structure is built to become unusable for the purpose represented at the time of original sale by the builder or for the purpose for which that land is commonly used.

(d) With respect to fire protection issues:

(1) A structure shall be constructed so as to materially comply with the design criteria of the applicable government building codes, regulations, and ordinances for fire protection of the occupants in effect at the time of the original construction.

(2) Fireplaces, chimneys, chimney structures, and chimney termination caps shall be constructed and installed in such a way so as not to cause an unreasonable risk of fire outside the fireplace enclosure or chimney.

(3) Electrical and mechanical systems shall be constructed and installed in such a way so as not to cause an unreasonable risk of fire.

(e) With respect to plumbing and sewer issues:

Plumbing and sewer systems shall be installed to operate properly and shall not materially impair the use of the structure by its inhabitants. However, no action may be brought for a violation of this subdivision more than four years after close of escrow.

(f) With respect to electrical system issues:

Electrical systems shall operate properly and shall not materially impair the use of the structure by its inhabitants. However, no action shall be brought pursuant to this subdivision more than four years from close of escrow.

(g) With respect to issues regarding other areas of construction:

(1) Exterior pathways, driveways, hardscape, sidewalks, sidewalks, and patios installed by the original builder shall not contain cracks that display significant vertical displacement or that are excessive. However, no action shall be brought upon a violation of this paragraph more than four years from close of escrow.

(2) Stucco, exterior siding, and other exterior wall finishes and fixtures, including, but not limited to, pot shelves, horizontal surfaces, columns, and plant-ons, shall not contain significant cracks or separations.

(3) (A) To the extent not otherwise covered by these standards, manufactured products, including, but not limited to, windows, doors, roofs, plumbing products and fixtures, fireplaces, electrical fixtures, HVAC units, countertops, cabinets, paint, and appliances, shall be installed so as not to interfere with the products' useful life, if any.

(B) For purposes of this paragraph, "useful life" means a representation of how long a product is warranted or represented, through its limited warranty or any written representations, to last by its manufacturer, including recommended or required maintenance. If there is no representation by a manufacturer, a builder shall install manufactured products so as not to interfere with the product's utility.

(C) For purposes of this paragraph, "manufactured product" means a product that is completely manufactured offsite.

(D) If no useful life representation is made, or if the representation is less than one year, the warranted period shall be no less than one year. If a manufactured product is damaged as a result of a violation of these standards, damage to the product is a recoverable element of damages. This subparagraph does not limit recovery if there has been damage to another building component caused by a manufactured product during the manufactured product's useful life.

(E) This title does not apply in any action seeking recovery solely for a defect in a manufactured product located within or adjacent to a structure.

(4) Heating, if any, shall be installed so as to be capable of maintaining a room temperature of 70 degrees Fahrenheit at a point three feet above the floor in any living space.

(5) Living-space air conditioning, if any, shall be provided in a manner consistent with the size and efficiency design criteria specified in Title 24 of the California Code of Regulations or its successor.

(6) Attached structures shall be constructed to comply with interunit noise transmission standards set by the applicable government building codes, ordinances, or regulations in effect at the time of the original construction. If there is no applicable code, ordinance, or regulation, this paragraph does not apply. However, no action shall be brought pursuant to this paragraph more than one year from the original occupancy of the adjacent unit.

(7) Irrigation systems and drainage shall operate properly so as not to damage landscaping or other external improvements. However, no action shall be brought pursuant to this paragraph more than one year from close of escrow.

(8) Untreated wood posts shall not be installed in contact with soil so as to cause unreasonable decay to the wood based upon the finish grade at the time of original construction. However, no action shall be brought pursuant to this paragraph more than two years from close of escrow.

(9) Untreated steel fences and adjacent components shall be installed so as to prevent unreasonable corrosion. However, no action shall be brought pursuant to this paragraph more than four years from close of escrow.

(10) Paint and stains shall be applied in such a manner so as not to cause deterioration of the building surfaces for the length of time specified by the paint or stain manufacturers' representations, if any. However, no action shall be brought pursuant to this paragraph more than five years from close of escrow.

(11) Roofing materials shall be installed so as to avoid materials falling from the roof.

(12) The landscaping systems shall be installed in such a manner so as to survive for not less than one year. However, no action shall be brought pursuant to this paragraph more than two years from close of escrow.

(13) Ceramic tile and tile backing shall be installed in such a manner that the tile does not detach.

(14) Dryer ducts shall be installed and terminated pursuant to manufacturer installation requirements. However, no action shall be brought pursuant to this paragraph more than two years from close of escrow.

(15) Structures shall be constructed in such a manner so as not to impair the occupants' safety because they contain public health hazards as determined by a duly authorized public health official, health agency, or governmental entity having jurisdiction. This paragraph does not limit recovery for any damages caused by a violation of any other paragraph of this section on the grounds that the damages do not constitute a health hazard.

§ 897. Function or Component of a Structure; Scope of Standards Within Chapter

The standards set forth in this chapter are intended to address every function or component of a structure. To the extent that a function or component of a structure is not addressed by these standards, it shall be actionable if it causes damage.

§ 941. Limitation of Action; Tolling

(a) Except as specifically set forth in this title, no action may be brought to recover damages under this title more than 10 years after substantial completion of the improvement but not later than the date of recordation of a valid notice of completion.

(b) As used in this section, "action" includes an action for indemnity brought against a person arising out of that person's performance or furnishing of services or materials referred to in this title, except that a cross-complaint for indemnity may be filed pursuant to subdivision (b) of Section 428.10 of the Code of Civil Procedure in an action which has been brought within the time period set forth in subdivision (a).

(c) The limitation prescribed by this section may not be asserted by way of defense by any person in actual possession or the control, as owner, tenant, or otherwise, of such an improvement, at the time any deficiency in the improvement constitutes the proximate cause for which it is proposed to make a claim or bring an action.

(d) Sections 337.15 and 337.1 of the Code of Civil Procedure do not apply to actions under this title.

(e) Existing statutory and decisional law regarding tolling of the statute of limitations shall apply to the time periods for filing an action or making a claim under this title, except that repairs made pursuant to Chapter 4 (commencing with Section 910), with the exception of the tolling provision contained in Section 927, do not extend the period for filing an action, or restart the time limitations contained in subdivision (a) or (b) of Section 7091 of the Business and Professions Code. If a builder arranges for a contractor to perform a repair pursuant to Chapter 4 (commencing with Section 910), as to the builder the time period for calculating the statute of limitation in subdivision (a) or (b) of Section 7091 of the Business and Professions Code shall pertain to the substantial completion of the original construction and not to the date of repairs under this title. The time limitations established by this title do not apply to any action by a claimant for a contract or express contractual provision. Causes of action and damages to which this chapter does not apply are not limited by this section.

Del Webb®

Subsequent Homeowner Transfer Form

Name of Prior Homeowner(s)

Name of Subsequent (New) Homeowner(s)

Address of Property ("Home")

Limited Warranty Number (This number is provided on the Limited Warranty Validation Form.)

Date Home Was Conveyed to New Homeowner(s)

This Subsequent Homeowner Transfer Form is submitted to Professional Warranty Service Corporation ("PWSC") for the purpose of notifying Del Webb and Professional Warranty Service Corporation of the change in ownership regarding the home. New Homeowner(s) acknowledges receiving a copy of the Del Webb New Home Limited Warranty ("Limited Warranty") and agrees to be bound by the terms of the Limited Warranty, including the agreement to submit disputes to arbitration as provided in the Limited Warranty.

Signature of New Homeowner

Signature of Additional New Homeowner

Print Name

Print Name

Phone Number

Phone Number

Date

Date

Instructions:

Photocopy this form. Provide information requested, sign, and mail this form and a photocopy of applicable settlement/closing documents indicating transfer of title, to the address below. To reach PWSC by phone, call 800-850-2799.

Professional Warranty Service Corporation
P.O. Box 800
Annandale, VA 22003-0800

Reissuance of the Del Webb Homes Limited Warranty Validation Form with the name(s) of the New Homeowner(s) is not necessary for you to receive the coverage remaining under the Del Webb Homes New Home Limited Warranty. Upon receipt of this signed form, PWSC will update its records to reflect the name(s) of the New Homeowner(s).

Notes

Notes

Del Webb®

EQUAL HOUSING OPPORTUNITY

EQUAL LENDING OPPORTUNITY

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