

LIMITED ONE-YEAR WARRANTY SELLER'S RESPONSIBILITY

Except as covered by a manufacturer's limited warranty, the Seller hereby provides a Limited Warranty for the dwelling against defects in the original material and workmanship, as hereinafter defined, for one (1) full year from the date of delivery of title thereto to the Buyer, or from the date of occupancy, whichever occurs first (sometimes referred to herein simply as "one year" and/or the "warranty period"), except to the extent that a shorter warranty period is set forth herein. "Defective" materials and/or workmanship are defined as not being substantially in accordance with the plans and specifications for the dwelling and/or not up to the construction standards commonly used in the project in which the dwelling is located.

The responsibility of the Seller to correct any defects or omissions shall be as follows:

The Seller will repair or replace, at no charge to the Buyer, any component of the dwelling which shall be found to be either structurally or functionally defective, as defined above. If the Seller does not remedy the defective part after a reasonable number of attempts, the Seller will refund the Buyer's money for the defective part or replace the same. The Seller will pay installation charges, if any. The seller shall have the sole right to determine the materials and methods to be used in making any repairs and to determine whether an item should be repaired or replaced.

In order to take advantage of this Limited Warranty, Buyer must give written notice to Seller of any claimed defect not later than one (1) full year from the date of delivery of title thereto to Buyer, or from the date of occupancy, whichever occurs first. Notice shall be deemed given only upon actual receipt by the Seller at the following address:

**23 Corporate Plaza Drive, Suite 246
Newport Beach, CA 92660**

The Seller may, by notice to the Buyer at the address of the dwelling unit, change its address for any subsequent notices.

SPECIFIC LIMITED WARRANTY COVERAGE

CONCRETE AND MASONRY:

Seller agrees to repair substantial defects in all stucco, concrete, brick and other masonry in your home for one year. “Substantial defects” are those which significantly interrupt the surface or reduce its necessary structural strength. Minor cracks in concrete, stucco and other masonry are a normal part of the new home shrinkage and expansion process and are therefore not covered under this Limited Warranty.

ELECTRICAL SYSTEM:

Seller agrees that the electrical system will be free from defects in materials or workmanship for one year. This Limited Warranty does not cover light bulbs or other consumer products or items.

HEATING AND AIR CONDITIONING:

Seller agrees that the heating and air conditioning system will operate properly for one year. Your heating and air conditioning systems were installed according to accepted heating and air conditioning practices and inspection agency standards. This Limited Warranty does not cover consumer products or items such as the furnace or air conditioning unit itself, since these are warranted under the manufacturer’s limited warranty.

MINOR REPAIRS AND ADJUSTMENTS:

Seller agrees to make minor repairs such as sticking doors, squeaking floors, tile caulking, cabinet door adjustments and similar items during the first sixty days of Limited Warranty coverage.

PAINT:

Seller will only service or repair any painted surface that was not installed by the Seller properly. Seller makes no representations on the wear-ability of any surface and/or color fading, cracks or oxidation.

SPECIFIC LIMITED WARRANTY COVERAGE

PLUMBING:

Your new home is equipped with a modern, well-engineered plumbing system. The consumer products are excluded from coverage as the Limited Warranty covers the system only against defective workmanship and materials for the one (1) year warranty period. Failure resulting from your negligence or failure to keep foreign objects out of the system is not covered by the Limited Warranty. This Limited Warranty does not cover consumer products or items (water heater, etc.) and does not cover any problem caused by any homeowner alterations.

Faucet dripping and toilet adjustment will be taken care of without charge during the first sixty (60) days of the warranty period. Adjustments and repairs after that time shall be considered normal maintenance to be done by the homeowner unless defective workmanship or material is involved.

Drains: Although Seller tests the flow of drains before you move in, we will also repair any drains which become clogged during your first week of occupancy.

NOTE: Drains that are sluggish or stopped should be reported immediately. Blockage of sewer lines or bathroom fixtures will be corrected and adjustments made without charge for the first week of the warranty period. After that time, if Seller is called for a stoppage and it is the homeowner's fault a charge will be made at the prevailing rate of the plumber's trade.

ROOF:

Seller agrees that the roof and flashings will be free from leaks and defects for the one year warranty period. This Limited Warranty does not cover defects or damage caused by something you or others may do, such as climbing or walking on the roof. Seller will not repair your roof due to damage by "acts of God".

SELLER EXPRESSLY EXCLUDES THE FOLLOWING FROM THIS LIMITED WARRANTY

In addition to such limitations as are described elsewhere herein, the Limited Warranty is also subject to the following exclusions:

1. Failure or malfunctions of plumbing and plumbing fixtures, machinery or equipment due to inadequate or delayed maintenance; toilet adjustments and repair of dripping faucets required after the first 60 days of the warranty period.
2. Damage resulting from abusive use, modification, alteration or additions by you or others, or your failure to properly maintain, or the making of repairs by anyone other than the Seller.
3. Normal wear and tear which results in shrinkage and expansion of materials and fading, cracking, blistering, peeling, oxidation, aging and weathering of paint.
4. Variations in wood grain and color on stained wood cabinets, paneling, siding, handrails, doors and wood trim, and normal cracking of tile grout joints.
5. Failures or malfunctions of the electrical system or electrical fixtures or equipment, where such failure or malfunction is due to overloading or inadequate or delayed maintenance thereof.
6. Variations between the dwelling and standard elements depicted in the plans and specifications.
7. Warpage in exterior wood material which occurs more than three months after installation.
8. Variations in painted surfaces not exceeding industry standards.
9. Any items which existed at the time of the New Home Orientation by the Buyer with the Seller's representatives which are not brought to the attention of the Seller's representatives at that time, including, but not limited to chipping or cracking or porcelain, tile, vitreous china and countertops and vanity tops; defects in wood finishing; scratched glass; defects in painting; inadequate closing or opening of doors or cabinets; improperly installed or defective hardware; torn or defective screens; broken glass and mirrors; defects in siding, trim or lighting fixtures; defects in appliance finishes; lost screws, nuts or bolts and missing items.

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10. Damage resulting from:
 - a) Drainage problem(s) caused by alteration to the present grading or drainage by excavation, filling, landscaping, erosion, or by addition of landscaping, patios, walkways, garages and retaining walls, or
 - b) Drainage from swimming pools, hot tubs, Jacuzzis or planting beds which have been modified, altered, changed or added to a dwelling by the Buyer or by other owners in the Project.
11. Cracking of concrete and asphalt blacktop due to climatic and soil conditions.
12. Damage caused by soil conditions, including but not limited to swelling, shrinkage or slacking of the soil, or horizontal or vertical movements of the soil.
13. Damages resulting from any act, activity or omission of the Buyer, the Buyer's agent(s), family, invitees, or others such as pipe stoppages or jammed garbage disposals caused by foreign materials, blockage of the condensate drain for air conditioning units, obstruction of the plumbing clean-outs or excavation that damages main and secondary utility lines.
14. Damage resulting from any act, activity or omission of the homeowners' association for the project, if any, or the failure or malfunction of plumbing, plumbing fixtures, irrigation and drainage systems, electrical fixtures or other machinery and equipment and/or any common areas or common facilities or other areas which are required to be maintained by such association.
15. Any damage resulting from an act of God, such as earthquake, rain, wind, etc. or others such as vandalism or theft, will not be covered by the Seller.

CONSUMER PRODUCTS AND MANUFACTURERS LIMITED WARRANTIES

All appliances (range, dishwasher, etc.) are warranted by the manufacturer, not the Seller. The warranty does not apply if the appliance is misused, altered or used for any but normal household use. The manufacturers' service numbers are listed in the Important Service Phone Numbers tab in your homeowner's manual. Call them directly if you have any problems. If the manufacturer does not respond within a reasonable period of time, please call your Warranty Service Representative for any possible assistance.

The manufacturers' warranties, both expressed and implied, on appliances and equipment provided by the Seller will flow directly to you. You should contact the manufacturer directly on all warranty claims for these items. To ensure that you have all available rights, the Seller assigns to you all rights that it might have under any warranty for a consumer product in your home. Please note your disc in this packet contains copies of your manufacturer's warranty.

WHAT IS A "CONSUMER PRODUCT"?

The Seller's One-Year Limited Warranty does not cover anything which is a "consumer product." Here are some examples of the type of product, which, if installed in your home, are not covered by this Warranty:

- Air conditioning Unit
- Barbecue (if applicable)
- Cooktop
- Dishwasher
- Electric Meter
- Furnace & Condensers
- Doors
- Garage Door Opener
- Ice Maker
- Intercom
- Mirrors
- French Doors
- Range
- Garbage Disposal
- All Appliances
- Wine Cooler
- Thermostat
- Windows
- Tankless Water Heater
- Faucets
- Smoke Detector

Obviously, your home contains many other consumer products or items not listed above. If you have any questions about whether something is a consumer product or item, or should you need help in contacting the manufacturer of a consumer product or item, our Warranty Service Representative will be happy to assist you.

Without limiting the generality of the foregoing exclusions, the Seller makes no representation as to energy consumption or efficiency of any appliance or equipment.