

At Homes by Towne®, we constantly strive to construct and deliver a quality home. Realizing that a new home contains several thousand components and is constructed by numerous different trade partners, there is the possibility that there will be situations that might require correction. Our commitment to you is to expeditiously and professionally correct “construction defects” in accordance with the terms and conditions of our HOME BUILDER’S LIMITED WARRANTY, PWSC Form No. 117CA Rev. 05/2015, (referred to herein as the “Limited Warranty”), a copy of which was given to you when you signed your Purchase Contract and which may be found within this document. Please note that the Limited Warranty Validation Form, referred to in the fourth paragraph of the first page of the Limited Warranty, will be sent to you shortly after your closing. Additionally, during the first year, under our Customer Care Program, we will evaluate and, if appropriate, repair minor problems in your home that might not rise to the level of a construction defect under the Limited Warranty.

In support of our commitment, this document explains our New Home Customer Service Program, which consists of four elements: our First Year Customer Care Program – Section 2; our Limited Warranty – Section 3; The Home Book, A Complete Guide to Homeowner and Homebuilder Responsibilities, published by the Building Standards Institute, Washington D.C., Sacramento, California (The Home Book) – Section 4; and New Home Care and Maintenance – Section 5. Throughout this document the term Warranty Commencement Date means the date title was first transferred to you by Homes by Towne®.

A) First Year Customer Care Program

We are very proud of our Customer Care Program. This program provides customer service assistance during the first year. Under our Customer Care Program, we will evaluate and, if appropriate, repair minor problems in your home that might not rise to the level of a construction defect under the Limited Warranty.

B) Homebuilder’s Limited Warranty (the Limited Warranty)

When you signed your purchase agreement, you received a copy of the Fix-It Law Handbook, our Limited Warranty and signed a form agreeing to read the Limited Warranty in full prior to the title transfer of the home. The Limited Warranty is reproduced in Section 3 of this manual for your ease of reference. We suggest that you carefully read through this information as well as the service procedures that are included in this section. The Limited Warranty provides coverage for construction defects for ten (10) years from the date title was transferred by Homes by Towne® to the first homeowner, except as limited by Statute of Limitations for less than ten (10) years, or unless you have purchased a model home in which case the ten (10) year warranty period shall commence on the date we received a certificate for occupancy and being open to the public from the County of Placer, California, the municipality in which the home is located; however, this shall not affect your First Year Customer Care Program period. See Appendix A of the Fix-It Law Handbook for these limitations (the “Warranty Period”)

To comply with the terms of the Limited Warranty, as well as for reasons of accuracy, all non-emergency items for which you request service must be submitted in writing to the Homes by Towne® Customer Care Service Department. The “Request for Customer Care or Limited Warranty Service” form is provided for your convenience. You also have the option of logging onto our website at www.homesbytowne.com and clicking the Customer Care Warranty tab.

NOTE: In order to assure quality service, we do not accept non-emergency warranty service requests over the phone.

C) Standards of Performance

The Homes by Towne® Standards of Performance are set forth in the Limited Warranty and in The Home Book which is set forth in Section 4 of this manual and in the Limited Warranty. Also, these standards describe the guidelines and tolerances for certain workmanship and materials within which we believe your new home should perform. In the event a standard is not addressed in the Limited Warranty or The Home Book, we will rely on generally accepted local building practices and standards as stated in Subsection V of the Limited Warranty. These standards are designed to help you, the homeowner, Homes by Towne® and any arbitrator assigned to rule on the presence of a construction defect determine the validity of any request for warranty performance made under the Limited Warranty.

It is not possible to list every component of a home in these standards, so only the most frequent types of conditions which can occur in a home are addressed in these standards. When a guideline or tolerance is not addressed we will evaluate the flaw or imperfection reported to determine whether the condition is a construction defect due to the fact that it: (1) materially affects the structural integrity of the home or a common element; or (2) jeopardizes the safety of the occupants or users of a common element; or (3) otherwise violates any applicable standards under California Civil Code Section 896-897.

For convenience and ease of understanding, the Standards of Performance have been expressed in terms of performance standards, which set forth the acceptable tolerances for each area of concern.

D) Homeowner Maintenance

Routine maintenance of the home is the homeowner’s responsibility. This includes being aware of and applying the recommended procedures for using and maintaining all components of your home. Information included in The Home Book and Section 5 of this manual, “New Home Care and Maintenance”, is provided as a convenience to our homeowner(s) to deal with commonly asked questions and is not intended to constitute a comprehensive discussion of all maintenance that is required to properly care for your new

home. Additionally, you have been provided with product manufacturers warranty and maintenance guidelines at or before the close of escrow of your home. These should also be reviewed in order to ensure proper care for those components.

All new homes go through a period of adjustment and settlement as the home reaches equilibrium. During this period, the home may experience some minor material shrinkage, cracking and other events, which are unavoidable and are considered normal. You should also be aware that you, as the homeowner, are responsible for proper home maintenance, such as preserving Builder-set drainage around the house, regular caulking of interior and exterior surfaces, and caring for grout on interior surfaces. Particularly in regard to landscaping and protection of the foundation and the concrete flat work, the homeowner's knowledge and maintenance are vital in protecting the home and maintaining the coverage under the Limited Warranty. Damage caused by you as the homeowner, including improper maintenance, negligence, abuse, misuse must be repaired by you at your expense. Also, changes, alterations or additions performed by anyone other than our employees, or subcontractors are excluded from the Limited Warranty. Please refer to Sections VI and VII of the Limited Warranty relative to homeowner maintenance obligations.

E) Coverage Limitations and Exclusions

Sections III and VII of the Limited Warranty set forth in detail coverage limitations and exclusions under the Limited Warranty.

F) The Fix-It Law

The Fix-It Law booklet provides a homeowner's guide to SB 800. You received this booklet at the same time you were provided the New Home Customer Service Program. This booklet provides a brief background, history and both the Buyers and Builders rights under the SB 800.