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FIRST YEAR CUSTOMER CARE PROGRAM

Throughout your first year in your new home, there are areas of your home that may experience minor adjustments and settlement. These areas may include drywall, ceramic tile, and stucco. While the presence of these types of conditions are generally not construction defects, in addition to the coverages provided for under the Limited Warranty and as an accommodation to our homebuyers, Homes by Towne® will evaluate such items reported to us under the First Year Customer Care Program and, subject to your maintenance obligations and limitations and exclusions from coverage referred to in Sections III and VII of the Limited Warranty and based on the specific circumstances, may repair these items one time during your first year of homeownership. Since these items will only be considered one time, we suggest that you hold these items for near the end of the First Year of homeownership.

Limited Time Customer Care Program for Manufactured Surfaces

Your attention with respect to fit and finish items is called to Section III of the Limited Warranty, which provides that scratched, stained, dented, chipped or scuffed surfaces, finishes, countertops, fixtures, tile or grout, or torn screens, or broken glass in windows or mirrors which are not noted in writing at the time of your pre-closing walk through and which could have occurred during move-in or after you occupy the home are not our responsibility under this fit and finish warranty. For this service, it is necessary to submit a Request for Customer Care Service to our Customer Care Service Department. In the event you do not submit a Request for Customer Care Service for fit and finish items within ten (10) days of occupancy, Homes by Towne® shall have no further obligation with respect to Customer Care Service for manufactured surfaces in your home.

Scheduled Customer Care Service

As a convenience to you, our valued customer, and to provide you with prompt Customer Care Service, the Homes by Towne® Customer Care Service Department will automatically contact you within thirty (30) days after your closing to schedule an appointment to discuss any items in your home that you feel should be addressed by Homes by Towne®. This 30-day appointment allows you sufficient time to become settled in your new home.

Other Customer Care Service

If you wish to initiate a non-emergency customer care service appointment, you are encouraged to do so by sending a Request for Customer Care Service to our Customer Care Service Department. Non-emergency requests for Customer Care Service items cannot be accepted over the phone. Please submit your request in writing as detailed on page 2 of this Section.

Emergency Conditions

An emergency condition is an event or situation that creates the imminent threat of damage to your home or creates an unsafe living condition due to a construction defect. While many such situations will not be the responsibility of Homes by Towne®,

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whenever practical, Homes by Towne® should be immediately contacted to allow us to perform a preliminary determination as to whether the problem should be handled by Homes by Towne®, handled by you with reimbursement by Homes by Towne®, or handled by you at your expense. For emergency assistance during and after business hours, on weekends, and on holidays, you should take those steps necessary and proper to protect your home from further damage or eliminate the unsafe condition. Please refer to the list of emergency numbers provided to you with your "Walk Thru" package. You remain obligated to contact Homes by Towne® at the first practical opportunity. If we determine that the emergency condition was the responsibility of Homes by Towne®, and you took reasonable steps to contact Homes by Towne® prior to authorizing repair work, we will reimburse your reasonable costs incurred in resolving the immediate problem.

EMERGENCY SERVICE IS ONLY PROVIDED BY HOMES BY TOWNE® DURING THE FIRST YEAR CUSTOMER CARE PROGRAM.

Consumer Appliance ("Consumer Products") Warranties

The manufacturers of your kitchen and other appliances will work directly with you if any repairs are needed for these products. Manufacturers Customer Service Telephone numbers are listed in the use and care materials for the individual appliances provided to you at or before the close of escrow. Be prepared to provide the model and serial number of the item and the closing date on your home. Appliance warranties are generally for one year; refer to the literature provided by the specific manufacturer involved for complete information.

Appliances or "consumer products" are excluded from the Limited Warranty.

As previously stated, the Homes by Towne® Customer Care Program ends at the end of the first year. After that, all service provided by Homes by Towne® will be in accordance with the terms, conditions and limitations of the Limited Warranty.

Service Processing Procedures

You can help us to better serve you by including complete information with any Requests for Customer Care Service under the first year Homes by Towne® Customer Care Program or Requests for Warranty Service under the Limited Warranty. All requests are to be submitted to the Homes by Towne® Customer Care Service Department at:

HBT of Morgan Ranch LLC Attn: Customer Care Service Department 11060 Whiterock Rd., Suite 150 Rancho Cordova, CA 95670

For your convenience, these requests can be submitted by e-mail at our home page www.homesbytowne.com. Please click on the Custom Care Warranty tab.

Please include the following when submitting a request:

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- 1. Name, address and phone number where you can be reached during business hours;
- 2. Your closing date;
- 3. A complete description of the problem. For example, "Guest bath cold water line leaks under sink," NOT "plumbing problem in bathroom".

When necessary, a Homes by Towne® Customer Service representative will contact you for an inspection appointment.

- 1. Appointments are available Monday through Friday 7:30 a.m. to 3:30 p.m. Homes by Towne® requests that at least one of the property owners be present for every service inspection.
- 2. The items listed in your written request will be inspected to determine appropriate action.
- 3. If a Homes by Towne® subcontractor or agent is required to complete repairs, please contact our Customer Care Service Department, and we will assist you in notifying the appropriate company and scheduling the necessary repairs.

Completion of service under the first year Customer Care Program can generally be expected within thirty (30) calendar days of any requested inspection unless you are otherwise notified. All requests under the Limited Warranty will follow the process and time period set forth in The Home Book.