

CUSTOMER SERVICE PROCESS

This Customer Service Process sets forth the procedures that a purchaser or any subsequent purchaser (collectively, "Homeowner") of real property improved by a new residence (the "Home") purchased from Braddock & Logan Group III, L.P. ("Builder") must follow in order to obtain warranty service from Builder if the Homeowner believes that any aspect of the Home is not performing as provided in the Limited Warranty Performance Standards given by the Builder to the Homeowner (the "Performance Standards"). The Homeowner must follow the procedures described below to obtain warranty service from Builder. Submitting a Customer Service claim to Builder is not a prerequisite for Homeowner to assert a claim under the Home Builder's Limited Warranty or any other rights that Homeowner may have at law.

1. NOTICE OF DEFICIENCY. When Homeowner discovers a deficiency that Homeowner believes is covered under the Performance Standards, Homeowner must give Builder's Customer Service Manager written notice of the deficiency using Builder's printed form, by completing and delivering said printed form as follows: (a) by U.S. Mail, to Customer Service Manager, Braddock & Logan Services, Inc., P.O. Box 5300 Danville, California, 94526, (b) by e-mail, to customerservice@braddockandlogan.com, or (c) by fax, to Customer Service Manager, (925) 648-5701. All such notices must be sent within 30 days of Owner's discovery of the same, except in the event of Emergency Situations, as described in Section 3 below, in which case Homeowner shall follow the procedures in Section 3 below. If Homeowner does not have Builder's printed form, Homeowner may write a letter to Builder's Customer Service Manager, at the aforementioned address, including Homeowner's address and a description of the deficiency. Homeowner's notice should describe the problem in detail, should state that Homeowner is making a Customer Service claim, and should include the time of day Homeowner can be at home during normal working hours, Monday to Friday, so Builder can schedule service calls. All repair requests must be submitted to Builder's Customer Service Manager in writing; verbally advising Builder's field or office personnel will not guarantee the item in question will be inspected and/or repaired.

2. REPAIR PROCEDURES. Except in the case of emergencies as provided in Section 3 below, all work to be covered by the Performance Standards must be authorized by Builder's customer service department. Any work performed by a contractor without Builder's knowledge and approval will be at Homeowner's expense, and any repair/replacement work performed by Homeowner or any third party hired by Homeowner without Builder's knowledge and approval will be at Homeowner's expense. To avoid any possible confusion, Homeowner should not schedule any repair/replacement work to be done if Homeowner intends to assert a Customer Service claim hereunder. After Homeowner delivers written notice of a violation of the Performance Standards, Homeowner must allow Builder an opportunity to inspect the reported deficiency and to repair or replace

the deficiency if Builder agrees it violates the Standards. Builder cannot guarantee a perfect match to original materials, colors or finish, but will use commercially reasonable best efforts to match repairs to original materials, colors or finishes as close as reasonably possible.

3. EMERGENCY PROCEDURES. Emergency Procedures apply to work to be covered by the Performance Standards that meet all of the following criteria: (a) the problem first occurs or is first noticed after normal working hours or on a weekend; (b) the problem is of a nature that threatens the health and safety of persons or poses imminent and severe damage to property to such a degree as to necessitate immediate action on Homeowner's part, including by way of example a sewer back-up, burst water pipe, complete electrical failure or natural gas leak. Such work shall be referred to as "Emergency Work" in these Customer Service Procedures. In the event Emergency Work is required, the Homeowner must take the following steps: (v) Call Braddock & Logan's customer service line (925-736-4000, extension 5601) and leave a message describing the nature of the problem, the time you called, your name, lot number and address. (w) If Builder does not respond within fifteen minutes of your call, call the subcontractor who performed the initial construction for which the Emergency Work is required. At or before the Closing, Builder will provide to Homeowner the telephone numbers of the major subcontractors who performed work on the home and who maintain their own service departments. (x) If you are unable to reach an operator or other service person at the subcontractor, leave a message describing the nature of the problem, the time you called, your name, lot number and address. (y) If the subcontractor does not respond within fifteen minutes of your call, you may call a local licensed contractor to remedy the problem. When the emergency problem has been either contained or repaired, the invoice will be presented to you for payment upon completion of the work. Instruct the contractor performing the work to show a detailed description of the direct cause of the problem. If the licensed contractor's description shows beyond a doubt that the problem was directly caused by either a structural defect or faulty workmanship by Builder or its subcontractors, you will be reimbursed in full. On the other hand, if the invoice shows otherwise, you will be responsible for payment for repairs and damage caused by same. Please keep all parts removed or replaced, i.e., nail in pipe, improper plumbing connection, defective breakers, etc., for proof of defect. At the earliest opportunity during normal business hours, telephone Builder's Customer Service Department and a Service Representative will come to your home, pick up the invoice and parts and Builder will mail a reimbursement check to Homeowner in the amount of the invoice within 15 days if such payment is approved by Builder. If any personal property damage is involved, proof of same will be required and an inspection by the Service Manager will be required.

If Homeowner requests any Emergency Work that is caused by Homeowner or by Homeowner's failure to comply with the Maintenance Standards provided by Builder (such as a circuit breaker not being reset, sewer back-up caused by toys, sanitary napkins, diapers, etc.), it will be the

responsibility of the Homeowner to pay for any and all repairs, service charges, etc.

Please note, most emergencies are best handled by Builder or its subcontractors, as they are most familiar with the home and its construction. If at all possible, all repairs should be referred to Builder.

Please review the Emergency Procedures described in Section 47 of the Maintenance Manual for procedures as to specific emergency situations.

4. HOMEOWNER'S OBLIGATION TO COOPERATE WITH BUILDER.

Homeowner shall cooperate with Builder in making the home available during normal business hours for inspections, repairs, replacement and testing by Builder or by contractors chosen by Builder as in Builder's judgment may be required. Homeowner shall be responsible for all damages to any components of the home, as well as for all consequential damages suffered by Homeowner, resulting from Homeowner's failure to give Builder and Builder's contractors and subcontractors, reasonable and timely access to the home for purposes of inspecting, repairing, replacing and testing the alleged deficiencies. Homeowner also agrees to allow Builder or its authorized agents to store building materials in the home for the purpose of completing covered repairs or replacements, in such a manner that will not unreasonably interfere with Homeowner's use of the home and to permit Builder to use reasonable amounts of utility services from the home, including gas, electric, telephone and water, as may be reasonably required or useful to perform the repairs requested by Owner.