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6 Western Pacific Housing-Norco Estates, LLC, Lamco  
Housing, Inc., and D.R. Horton, Inc., the successor by  
7 merger to Schuler Homes, Inc.

8 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
9 FOR THE COUNTY OF RIVERSIDE, CORONA COURT

10  
11 JENNIFER BEAUDET, RONALD BEAUDET,  
NICK RIPOLY, MICHELLE RIPOLY, JOHN  
12 DALLAH, and SHARON DALLAH,  
individually, on behalf of all others similarly  
13 situated, and in the public interest,

14 Plaintiffs,

15 vs.

16 WESTERN PACIFIC HOUSING - NORCO  
ESTATES, LLC, a Limited Liability Company;  
17 LAMCO HOUSING, INC., a Corporation;  
SCHULER HOMES, INC., a Corporation; and  
18 DOES 1 through 100, inclusive,

19 Defendants.

Case No. 369796  
JAMS Reference No. 1200031905

ANSWER OF DEFENDANTS WESTERN  
PACIFIC HOUSING-NORCO ESTATES, LLC,  
LAMCO HOUSING, INC. AND SCHULER  
HOMES, INC. TO SECOND AMENDED  
COMPLAINT

Superior Court Judge: Honorable Richard Fields

Referee: Honorable Edward J. Wallin (Ret.)

Date Action Filed: January 15, 2002

Trial Date: None

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22 Defendants Western Pacific Housing-Norco Estates, LLC (“Western Pacific”), Lamco  
23 Housing, Inc. (“Lamco”) and D.R. Horton, Inc. (“D.R. Horton”), the successor by merger to the  
24 nominal defendant Schuler Homes, Inc. (“Schuler Homes”) respond to Plaintiffs’ SECOND  
25 AMENDED COMPLAINT FOR: 1) FRAUD IN THE INDUCEMENT; 2) FRAUDULENT  
26 CONCEALMENT; 3) REAL ESTATE NON-DISCLOSURE; 4) VIOLATION OF BUSINESS &  
27 PROFESSIONS CODE §§ 17200, ET SEQ.; 5) DECLARATORY RELIEF; and 6)  
28 NEGLIGENCE dated and filed February 26, 2004 (“Second Amended Complaint”) as follows:

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**FIRST DEFENSE**

(General Denial)

1. Defendants generally deny the allegations of the Second Amended Complaint pursuant to Code of Civil Procedure section 431.30(d).

**SECOND DEFENSE**

(Failure to State a Claim)

2. Defendants answer that the Second Amended Complaint does not state facts sufficient to constitute a cause of action. (Code Civ. Proc., § 430.10(e).)

**THIRD DEFENSE**

(Uncertainty)

3. Defendants answer that the Second Amended Complaint is uncertain. (Code Civ. Proc., § 430.10(f).)

**FOURTH DEFENSE**

(Alternative Dispute Resolution Procedure)

4. Defendants answer that in written contracts between defendant Western Pacific and Plaintiffs captioned AGREEMENT OF PURCHASE AND SALE, DEPOSIT RECEIPT AND JOINT ESCROW INSTRUCTIONS and more particularly in ADDENDUM NO. 1 TO AGREEMENT OF PURCHASE AND SALE, DEPOSIT RECEIPT AND JOINT ESCROW INSTRUCTIONS ALTERNATIVE DISPUTE RESOLUTION PROCEDURE Plaintiffs agreed:

ADDENDUM NO. 1 TO  
AGREEMENT OF PURCHASE AND SALE, DEPOSIT RECEIPT  
AND JOINT ESCROW INSTRUCTIONS

ALTERNATIVE DISPUTE RESOLUTION PROCEDURE

THIS ADDENDUM NO. 1 is attached to and forms a part of the Agreement of Purchase and Sale, Deposit Receipt and Joint Escrow Instructions executed between Buyer and Seller with respect to the sale of the "Property" as defined therein ("Agreement"). Any capitalized terms not otherwise defined herein shall have the meanings as set forth in the Agreement.

From and after the close of escrow under the Contract, any action or claim by, between or among the Seller, as the builder of the Community or any director, officer, partner, member, employee or agent of the Seller, or any contractor, subcontractor, design professional, engineer or supplier who provided labor, services or materials to the Community and who is bound or has agreed to be

1 bound to the following dispute notification and resolution procedure (collectively,  
2 the "Seller Parties") and Buyer, relating to or arising out of the Community, or  
3 any other agreements between the Seller Parties and Buyer (unless any such  
4 agreement specifies another form of dispute resolution), the sale of the Property,  
5 the use or condition of the Property or the design or construction of or any  
6 condition on or affecting the Community, including, but not limited to  
7 construction defects, surveys, soils conditions, grading, specifications, installation  
8 of improvements or disputes which allege fraud, misrepresentation or breach of  
9 implied or express warranties as to the condition of the Property or Community  
10 where the amount in controversy is greater than \$25,000 or in which non-  
11 monetary relief is sought that cannot be granted by a Municipal Court in the State  
12 of California as of January 1, 1998 (collectively, "Dispute(s)"), shall be subject to  
13 the provisions set forth below. Buyer and Seller acknowledge and agrees that the  
14 Declaration incorporates the same provisions with respect to Disputes and shall be  
15 binding upon Buyer, Seller and future owners of the Property.

9 1. Notice. Any person with a claim defined as a Dispute, above  
10 ("Claimant") shall notify each applicable Seller Party in writing of such claim,  
11 which writing shall describe the nature of such claim and any proposed remedy  
12 (the "Claim Notice").

12 2. Right to Inspect and Right to Corrective Action. Within a  
13 reasonable period after receipt of the Claim Notice, which period shall not exceed  
14 sixty (60) days, Seller (and any applicable Seller Parties) and the Claimant(s)  
15 shall meet at a mutually-acceptable place within or near the Community to discuss  
16 the Dispute claim. At such meeting or at such other mutually-agreeable time, the  
17 Seller and their respective representatives shall have full access to the property  
18 that is subject to the Dispute claim and shall have the right to conduct inspections,  
19 testing and/or destructive or Invasive testing of the same in a manner deemed  
20 appropriate by Seller (and any applicable Seller Parties), which rights shall  
21 continue until such time as the Dispute is resolved as provided in this Addendum.  
22 The parties to the Dispute shall negotiate in good faith in an attempt to resolve the  
23 claim. If the Seller (and any applicable Seller Parties) elects to take any  
24 corrective action, Seller (and any applicable Seller Parties) and their respective  
25 representatives and agents shall be provided full access to the Community to take  
26 and complete corrective action.

20 3. Mediation. If the parties to the Dispute cannot resolve the claim  
21 pursuant to the procedures described in Section 2 above, the matter shall be  
22 submitted to mediation pursuant to the mediation procedures adopted by the  
23 American Arbitration Association (except as such procedures are modified by the  
24 provisions of this Section 3) or any successor thereto or to any other entity  
25 offering mediation services that is acceptable to such parties. No person shall  
26 serve as a mediator in any Dispute in which the person has any financial or  
27 personal interest in the result of the mediation, except by the written consent of all  
28 parties to the Dispute participating in the mediation. Prior to accepting any  
29 appointment, the prospective mediator shall disclose any circumstances likely to  
30 create a presumption of bias or to prevent a prompt commencement of the  
31 mediation process. Except as provided in Section 7 below, Buyer covenants that  
32 Buyer shall not commence any litigation against the Seller Parties without  
33 complying with the procedures described in this Section 3.

27 (a) Position Memoranda: Pre-Mediation Conference. Within  
28 ten (10) days of the selection of the mediator, each party to the Dispute  
participating in the mediation shall submit a brief memorandum setting forth its  
position with regard to the issues that need to be resolved. The mediator shall

1 have the right to schedule a pre-mediation conference and all parties to the  
2 Dispute participating in the mediation shall attend unless otherwise agreed. The  
3 mediation shall be commenced within ten (10) days following the submittal of the  
4 memoranda and shall be concluded within fifteen (15) days from the  
5 commencement of the mediation unless the parties to the Dispute participating in  
6 the mediation mutually agree to extend the mediation period. The mediation shall  
7 be held in the county in which the Community is located or such other place as is  
8 mutually acceptable to the parties to the Dispute participating in the mediation.

9 (b) Conduct of Mediation. The mediator has discretion to  
10 conduct the mediation in the manner in which the mediator believes is most  
11 appropriate for reaching a settlement of the Dispute. The mediator is authorized  
12 to conduct joint and separate meetings with the parties to the Dispute participating  
13 in the mediation and to make oral and written recommendations for settlement.  
14 Whenever necessary, the mediator may also obtain expert advice concerning  
15 technical aspects of the Dispute, provided the parties to the Dispute participating  
16 in the mediation agree and assume the expenses of obtaining such advice. The  
17 mediator does not have the authority to impose a settlement on the parties to the  
18 Dispute participating in the mediation.

19 (c) Exclusion Agreement. Prior to the commencement of the  
20 mediation session, the mediator and all parties to the Dispute participating In the  
21 mediation shall execute an agreement pursuant to California Evidence Code  
22 Section 1115 et seq. or any successor statute in order to exclude the use of any  
23 testimony or evidence produced at the mediation in any subsequent dispute  
24 resolution forum, including, but not limited to, court proceedings, reference  
25 proceedings or arbitration hearings. Pursuant to California Evidence Code  
26 Section 1115 et seq. the agreement shall specifically state that evidence of  
27 anything said or of any admission made in the course of the mediation is not  
28 admissible evidence, and disclosure of any such evidence shall not be compelled  
in any civil action in which, pursuant to law, testimony can be compelled to be  
given. Unless the document provides otherwise, no document prepared for the  
purpose of, or in the course of, or pursuant to, the mediation, or copy thereof, is  
admissible in evidence; and disclosure of any such document shall not be  
compelled in any civil action in which, pursuant to law, testimony can be  
compelled to be given. The provisions of California Evidence Code Sections  
1115 through 1128 shall also be applicable to such mediation process.

(d) Persons Permitted at Sessions. Persons other than the  
parties to the Dispute participating in the mediation, their representatives and the  
mediator may attend mediation sessions only with the permission of such parties'  
to the Dispute participating in the mediation and the consent of the mediator;  
provided, however, that such permission and consent shall not be required to  
allow participation of such party's insurer in the mediation to the extent required  
under such parties' liability insurance policy. Confidential information disclosed  
to a mediator by such parties or by witnesses in the course of the mediation while  
serving in such capacity shall be confidential. There shall be no stenographic  
record of the mediation process.

(e) Expenses. The expenses of witnesses for either side shall  
be paid by the party producing such witnesses. All other expenses of the  
mediation, including, but not limited to, the fees and costs charged by the  
mediator and the expenses of any witnesses or the cost of any proof or expert  
advice produced at the direct request of the mediator, shall be borne equally by  
the parties to the Dispute participating in the mediation unless they agree  
otherwise. Each party to the Dispute participating in the mediation shall bear its

1 own attorneys' fees and costs in connection with such mediation.

2 4. Judicial Reference. Should mediation pursuant to Section 3 above  
3 not be successful in resolving any Dispute, such Dispute shall be resolved by  
4 general judicial reference pursuant to California Code of Civil Procedure Sections  
5 638 and 641 through 645.1 or any successor statutes thereto, as modified or as  
6 otherwise provided in this Section 4. Subject to the limitations set forth in this  
7 Section 4, the judicial referee shall have the authority to try all issues, whether of  
8 fact or law, and to report a statement of decision to the court. The judicial referee  
9 shall be the only trier of fact or law in the reference proceeding and shall have no  
10 authority to further refer any issues of fact or law to any other party, without the  
11 mutual consent of all parties to the judicial reference proceeding.

12 (a) Participation by Seller Parties. The parties to the Dispute  
13 shall cooperate in good faith to ensure that all necessary and appropriate parties  
14 are included in the judicial reference proceeding. Seller shall not be required to  
15 participate in the judicial reference proceeding if (i) all parties against whom  
16 Seller would have necessary or permissive cross-claims or counterclaims cannot  
17 be joined in the judicial reference proceeding, including, but not limited to, the  
18 Seller Parties, or (ii) the enforcement of the provisions of this Section 4 would  
19 impair the insurance coverage of a Seller Party for any claim arising out of the  
20 Dispute. Prior to commencement of any action under this procedure, Claimant(s)  
21 will allow Seller a reasonable time in which to determine if the parties described  
22 in subsection (i) above can be joined in the judicial reference proceeding, to seek  
23 the consent of its liability insurance carrier to the judicial reference proceeding  
24 and to contact each applicable Seller Party with respect to any consent required by  
25 their insurance carriers. If Seller determines that it cannot join all of the parties  
26 set forth in subsection (i) above or that Seller's insurance coverage would be  
27 impaired with respect to the Dispute, or if Seller is advised by a Seller Party that it  
28 contends its insurance coverage will be impaired by enforcement of this  
Section 4, Seller may either elect not to participate in the judicial reference  
proceeding, or, in the case of the impairment of a Seller Party's insurance  
coverage, seek enforcement of its right to have such Seller Party participate in the  
judicial reference proceeding by motion or other application pursuant to  
California Code of Civil Procedure Sections 638 and 641 through 645.1 or any  
successor statutes thereto. If Seller elects not to participate in the judicial  
reference proceeding, Seller will provide notice to Claimant(s) that the Dispute  
will not be resolved by judicial reference. If Seller is unsuccessful in its attempt  
to compel any Seller Party to participate in the judicial reference proceeding,  
Seller will provide notice to Claimant(s) that such Seller Party will not participate  
in the judicial reference proceeding and whether or not Seller will participate in  
such proceeding. Upon receipt by Claimant(s) of notice from Seller that the  
Dispute will not be resolved by judicial reference, Claimant(s) may commence an  
action in an appropriate court of law against Seller and/or any applicable Seller  
Party. Upon receipt by Claimant(s) of notice from Seller that any Seller Party  
will not participate in the judicial reference, the judicial reference shall proceed as  
to all parties except such Seller Party and upon receipt of such notice Claimant(s)  
may commence legal proceedings against such Seller Party in an appropriate  
court of law. In the event that Claimant(s) are permitted to commence legal  
proceedings as provided herein, subsections (b) through (f) and (h) through (n) of  
this Section 4 will not apply in such legal proceeding, provided that the legal  
proceeding shall be tried by a judge and not a jury and Claimant(s) and any  
applicable Seller Party shall waive their rights to a jury (unless all parties to such  
proceeding mutually consent otherwise) and agree that the waiver of punitive  
damages set forth in Section 4(g) below shall be applicable in such proceeding.

1 (b) Place. The proceedings shall be heard in the county in  
2 which the Community is located.

3 (c) Referee. The referee shall be an attorney or retired judge  
4 with experience in relevant real estate matters. The referee shall not have any  
5 relationship to the parties to the Dispute or interest in the Community. The  
6 parties to the Dispute participating in the judicial reference proceeding shall meet  
7 to select the referee within ten (10) days after service of the initial complaint on  
8 all defendants named therein. Any dispute regarding the selection of the referee  
9 shall be promptly resolved by the judge to whom the matter is assigned, or if there  
10 is none, to the presiding judge of the Superior Court of the County in which the  
11 Community is located, who shall select the referee.

12 (d) Commencement and Timing of Proceeding. The referee  
13 shall promptly commence the proceeding at the earliest convenient date in light of  
14 all of the facts and circumstances and shall conduct the proceeding without undue  
15 delay.

16 (e) Pre-hearing Conferences. The referee may require one or  
17 more pre-hearing conferences.

18 (f) Discovery. The parties to the judicial reference proceeding  
19 shall be entitled only to limited discovery, consisting of the exchange between  
20 such parties of only the following matters: (i) witness lists; (ii) expert witness  
21 designations; (iii) expert witness reports; (iv) exhibits; (v) reports of testing or  
22 inspections of the property subject to the Dispute, including but not limited to,  
23 destructive or invasive testing; and (vi) trial briefs. Such parties shall also be  
24 entitled to conduct further tests and inspections as provided in Section 2 above.  
25 Any other discovery provided for in the California Code of Civil Procedure shall  
26 be permitted by the referee upon a showing of good cause or based on the mutual  
27 agreement of the parties to the judicial reference proceeding. The referee shall  
28 oversee discovery and may enforce all discovery orders in the same manner as  
any trial court judge.

(g) Limitation on Remedies: Prohibition on the Award of  
Punitive Damages. The referee shall not have the power to award punitive  
damages. In addition, as further provided below, the right to punitive damages is  
waived. The referee shall have the power to grant all other legal and equitable  
remedies and award compensatory damages in the judicial reference proceeding.

(h) Motions. The referee shall have the power to hear and  
dispose of motions, including: motions relating to provisional remedies,  
demurrers, motions to dismiss, motions for judgment on the pleadings and  
summary adjudication motions, in the same manner as a trial court judge, except  
the referee shall also have the power to adjudicate summarily issues of fact or law  
including the availability of remedies, whether or not the issue adjudicated could  
dispose of an entire cause of action or defense. Notwithstanding the foregoing, if  
prior to the selection of the referee as provided herein, any provisional remedies  
are sought by the parties to the Dispute, such relief may be sought in the Superior  
Court of the County in which the Community is located.

(i) Rules of Law. The referee shall apply the laws of the State  
of California except as expressly provided herein, including the California  
Evidence Code, unless expressly waived by all parties to the judicial reference  
proceeding.

1 (j) Record. A stenographic record of the hearing shall be  
2 made, provided that the record shall remain confidential except as may be  
necessary for post-hearing motions and any appeals.

3 (k) Statement of Decision. The referee's statement of decision  
4 shall contain findings of fact and conclusions of law to the extent required by law  
5 if the case were tried to a judge. The decision of the referee shall stand as the  
6 decision of the court, and upon filing of the statement of decision with the clerk of  
the court, judgment may be entered thereon in the same manner as if the Dispute  
had been tried by the court.

7 (l) Post-hearing Motions. The referee shall have the authority  
to rule on all post-hearing motions in the same manner as a trial judge.

8 (m) Appeals. The decision of the referee shall be subject to  
9 appeal in the same manner as if the Dispute had been tried by the court.

10 (n) Expenses. The fees and costs of any judicial reference  
11 proceeding hereunder shall be equally shared by the parties to the judicial  
reference proceeding. Each party to the judicial reference proceeding shall bear  
its own attorneys' fees and costs in connection with such proceeding.

12 5. AGREEMENT TO DISPUTE RESOLUTION; WAIVERS OF  
13 JURY TRIAL AND AWARD OF PUNITIVE DAMAGES.

14 NOTICE: BY INITIALING IN THIS SPACE YOU ARE  
15 AGREEING TO HAVE ANY DISPUTE RESOLVED  
16 ACCORDING TO THE PROVISIONS OF THIS  
17 ADDENDUM AND WAIVE THE RIGHT TO PURSUE  
18 ANY DISPUTE IN ANY MANNER OTHER THAN AS  
19 PROVIDED IN THIS ADDENDUM. BUYER AND  
20 SELLER ACKNOWLEDGE THAT BY AGREEING TO  
21 RESOLVE ALL DISPUTES AS PROVIDED IN THIS  
22 ADDENDUM, THEY ARE GIVING UP THEIR  
23 RESPECTIVE RIGHTS TO HAVE SUCH DISPUTES  
24 TRIED BEFORE A JURY. BUYER AND SELLER  
25 FURTHER WAIVE THEIR RESPECTIVE RIGHTS TO  
26 AN AWARD OF PUNITIVE DAMAGES RELATING TO  
27 A DISPUTE. BY INITIALING BELOW, YOU  
28 ACKNOWLEDGE THAT YOU ARE GIVING UP ANY  
RIGHTS YOU MAY POSSESS TO SUCH REMEDIES.  
IF YOU REFUSE TO SUBMIT TO MEDIATION OR  
JUDICIAL REFERENCE IN VIOLATION OF THE  
TERMS OF THIS ADDENDUM, YOU MAY BE  
COMPELLED TO DECIDE THIS MATTER BEFORE A  
JUDICIAL REFEREE. YOUR AGREEMENT TO THE  
PROVISIONS OF THIS ADDENDUM IS VOLUNTARY.

WE HAVE READ AND UNDERSTAND THE  
FOREGOING AND AGREE TO COMPLY WITH THIS  
ADDENDUM WITH RESPECT TO THE DISPUTES  
REFERENCED HEREIN.

BUYER \_\_\_\_\_ SELLER \_\_\_\_\_

6. Statutes of Limitation. Nothing in this Addendum shall be

1 considered to toll, stay, reduce or extend any applicable statute of limitations;  
2 provided, however, that the Seller Parties or Buyer shall be entitled to commence  
3 a legal action which in the good faith determination of any Seller Party or Buyer  
4 is necessary to preserve the Seller Parties' or Buyer's rights under any applicable  
5 statute of limitations, provided that the Seller Party or Buyer shall take no further  
6 steps in processing the action until it has complied with the procedures described  
7 in Sections 3 and 4 above.

8  
9 7. Survival: Successors and Assigns. The rights and obligations of  
10 the parties pursuant to this Addendum shall survive the close of escrow under the  
11 Contract. This Addendum and the rights, duties and obligations of Buyer and  
12 Seller shall be binding upon and shall inure to the benefit of the successors and  
13 assigns of Seller and, subject to any limitation on assignment contained in the  
14 Contract, to the heirs, executors, administrators, successors and assigns of Buyer.

15 Western Pacific and the other Defendants have performed all obligations imposed on them  
16 pursuant to this written agreement, or their performance has been waived, suspended or excused.  
17 Plaintiffs, however are in breach of their obligations imposed by this alternative dispute resolution  
18 procedure. For this reason, Plaintiffs claims are either barred in their entirety or alternatively  
19 Plaintiffs must resolve this matter in compliance with the alternative dispute resolution procedure.

20 **FIFTH DEFENSE**

21 (Statute of Limitations)

22 5. Defendants answer that the claims asserted in the Second Amended Complaint are  
23 barred by statutes of limitation including, inter alia, Code of Civil Procedure sections 338, 339 and  
24 340 and Business and Professions Code section 17208.

25 **SIXTH DEFENSE**

26 (Adequacy of Remedy of Law)

27 6. Defendants answer that all Plaintiffs' claims for equitable relief asserted in the  
28 Second Amended Complaint are barred by the adequacy of the Plaintiffs' remedy at law.

**SEVENTH DEFENSE**

(Estoppel)

7. Defendants answer that Plaintiffs are estopped to assert the matters alleged in their  
Second Amended Complaint.

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**EIGHTH DEFENSE**

(Laches)

8. Defendants answer that Plaintiffs' Second Amended Complaint is barred by the doctrine of Laches.

**NINTH DEFENSE**

(Waiver)

9. Defendants answer that Plaintiffs waived any claim predicated on the matters alleged in their Second Amended Complaint.

**TENTH DEFENSE**

(Privilege)

10. Defendants answer that they were privileged to behave in the manner alleged in Plaintiffs' Second Amended Complaint.

**ELEVENTH DEFENSE**

(Preemption)

11. Defendants answer that some or all of the claims alleged in Plaintiffs' Second Amended Complaint are preempted by federal legislation.

**TWELFTH DEFENSE**

(Unclean Hands)

12. Defendants answer the Plaintiffs' claims asserted in the Second Amended Complaint are barred by the Plaintiffs' unclean hands.

**THIRTEENTH DEFENSE**

(Comparative Negligence)

13. Defendants answer the Plaintiffs' claims asserted in the Second Amended Complaint are barred by the Plaintiffs' comparative negligence because any alleged injury or damage to the Plaintiffs or other requested relief sought by the Plaintiffs or any other party, is the result of the actions, inactions and omissions of the Plaintiffs and their agents, and any amounts of damages awarded to the Plaintiffs must be apportioned based on the comparative fault of the parties and other persons, and any award to Plaintiffs from Defendants must be reduced and setoff

1 accordingly.

2 **FOURTEENTH DEFENSE**

3 (Failure to Mitigate)

4 14. Defendants answer the Plaintiffs' claims are barred in whole or in part by  
5 Plaintiffs' failure to mitigate their damages, if any.

6 **FIFTEENTH DEFENSE**

7 (Proposition 51)

8 15. Defendants answer that the provisions of the "Fair Responsibility Act of 1986"  
9 (commonly known as Proposition 51, Civil Code §1431, et seq.) are applicable to this action, to  
10 the extent Plaintiffs' injuries and damages, if any, were proximately caused or contributed to by  
11 the carelessness, negligence or fault of persons or entities other than Defendants.

12 WHEREFORE, Defendants pray that Plaintiffs' Second Amended Complaint be dismissed  
13 with prejudice or that judgment on the Second Amended Complaint be entered in favor of  
14 Defendants and against Plaintiffs on all causes of action, that Defendants be awarded their costs of  
15 suit herein, that to the extent permitted by law Defendants be awarded their attorneys' fees  
16 incurred in defending the Second Amended Complaint, and for such other relief as the court in its  
17 discretion deems appropriate.

18 Dated: August 27, 2004

RUTAN & TUCKER, LLP  
DUKE F. WAHLQUIST  
RICHARD K. HOWELL

19  
20 By: \_\_\_\_\_  
21 Duke F. Wahlquist  
22 Attorneys for Defendants  
23 Western Pacific Housing-Norco Estates,  
24 LLC, LAMCO Housing, Inc., and D.R.  
25 Horton, Inc., the successor by merger to  
26 Schuler Homes, Inc.