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CATHY A. CATTERSON, CLERK  
U.S. COURT OF APPEALS

NOT FOR PUBLICATION

UNITED STATES COURT OF APPEALS

FOR THE NINTH CIRCUIT

U.S. HOME CORPORATION, a Delaware  
corporation,

Plaintiff - Appellant,

v.

MARYLAND CASUALTY CO., a Maryland  
insurance company; ZURICH AMERICAN  
INSURANCE COMPANY, a New York  
insurance company,

Defendants - Appellees.

No. 06-15092

D.C. No. CV-04-01150-FJM

MEMORANDUM\*

Appeal from the United States District Court  
for the District of Arizona  
Frederick J. Martone, District Judge, Presiding

Argued and Submitted December 6, 2007  
San Francisco, California

Before: KOZINSKI, Chief Judge, COWEN,\*\* and HAWKINS, Circuit Judges.

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\* This disposition is not appropriate for publication and is not precedent except as provided by 9th Cir. R. 36-3.

\*\* The Honorable Robert E. Cowen, Senior United States Circuit Judge for the Third Circuit, sitting by designation.

Appellant's complaint fails to allege any property damage other than the defective stucco and damage resulting from repair of that stucco. Under Arizona law, the faulty stucco, standing alone, does not constitute an "occurrence" as defined in the insurance policy. See United States Fid. & Guar. Corp. v. Advance Roofing & Supply Co., 788 P.2d 1227, 1233 (Ariz. Ct. App. 1989); see also Lennar Corp. v. Auto-Owners Ins. Co., 151 P.3d 538, 545 (Ariz. Ct. App. 2007). Additionally, the cost of repairing the stucco does not constitute "property damage" under the language of the policy. See Advance Roofing, 788 P.2d at 1233; see also Lennar Corp., 151 P.3d at 545. Appellant's reliance on University Mechanical Contractors of Arizona, Inc. v. Puritan Insurance Co., 723 P.2d 648 (Ariz. 1986), is misplaced in this case.

**AFFIRMED.**