

with the specifications in a sales agreement or contract which is not defective;

13. Consequential damages to personal property are excluded, consequential damages to real property as a result of a defect or repair of a defect are covered.

(b) Other exclusions are included in the performance standards (5:25-3.5) to better define those standards and are identified by "Exclusion".

New Rule R.1986 d.141, effective May 5, 1986.

See: 17 N.J.R. 2816(a), 18 N.J.R. 959(a).

Old section 3.4 recodified to 3.5.

#### Case Notes

Unattached patios not warranted (citing former N.J.A.C. 5:25-3.3). Aronsohn v. Mandara, 98 N.J. 92, 484 A.2d 675 (1984).

Initial Decision (2008 N.J. AGEN LEXIS 738) adopted, which found that the Bureau of Homeowner Protection properly denied petitioner's claims because her contention that there was a sensitivity problem with the spotlights was a contractual issue; the record also revealed that petitioner was not operating the lights properly. Parker v. Noelle Construction Corp., OAL Dkt. No. CAF 4722-08, 2008 N.J. AGEN LEXIS 1279, Final Decision (August 25, 2008).

Initial Decision (2008 N.J. AGEN LEXIS 48) adopted, which concluded that homeowner proved defects with respect to two windows, which would not stay open due to broken balance lines, and the builder was liable for the expeditious repair and elimination of the defects; the homeowner testified that she did not do anything to cause the windows to malfunction, and, while the Bureau claimed it was unable to determine when and under what circumstances the lines broke, the Bureau's representative admitted that while some windows were inspected, he could not testify with certainty whether he checked the two windows in question, and also admitted that he did not see any evidence of tampering with the windows. DePierri v. Bureau of Homeowner Protection, New Home Warranty Program, OAL Dkt. No. CAF 2937-07 and CAF 4671-07, 2008 N.J. AGEN LEXIS 567, Final Decision (February 25, 2008).

Initial Decision (2007 N.J. AGEN LEXIS 646) adopted as modified, which concluded that N.J.A.C. 5:25-3.4(a)12 excluded a condominium association's New Home Warranty claim that exterior showers were defective because they did not have a water supply or water heater controlled by the condominium association, but instead were connected to the water supply for two privately owned units. 229 East Pine Ave. Condo. Ass'n v. Bureau of Homeowner Protection, New Home Warranty Program, OAL Dkt. No. CAF 6112-07, 2007 N.J. AGEN LEXIS 951, Final Decision (October 30, 2007).

Initial Decision (2007 N.J. AGEN LEXIS 646) adopted as modified, which concluded that condominium association's New Home Warranty claim concerning sprinkler system was excluded pursuant to N.J.A.C. 5:25-3.4(a)2, which excludes "improvements not a part of the home itself"; there is nothing in the New Home Warranty Act that provides any coverage for sprinkler systems. 229 East Pine Ave. Condo. Ass'n v. Bureau of Homeowner Protection, New Home Warranty Program, OAL Dkt. No. CAF 6112-07, 2007 N.J. AGEN LEXIS 951, Final Decision (October 30, 2007).

Initial Decision (2007 N.J. AGEN LEXIS 646) adopted as modified, which concluded that improperly graded exterior shower floors were not covered under the New Home Warranty Program, as they did not fall within the category of an immediate grade or swale surrounding the home pursuant to N.J.A.C. 5:25-3.5(b)2i(1), and N.J.A.C. 5:25-3.4(a)2 excludes from coverage improvements that are not part of the home itself. 229 East Pine Ave. Condo. Ass'n v. Bureau of Homeowner Protection, New Home Warranty Program, OAL Dkt. No. CAF 6112-07, 2007 N.J. AGEN LEXIS 951, Final Decision (October 30, 2007).

Initial Decision (2007 N.J. AGEN LEXIS 137) adopted which found that a homeowner's complaints that kitchen molding did not abut, that paint was the wrong color, and that the putty used was not a proper match were not claims of defect, but were merely cosmetic and were, therefore, excluded from the New Home Warranty and Builders Registration Act, N.J.S.A. 46:3B-1 to -12. Verona v. Triple B Properties, OAL Dkt. No. CAF 8604-06, 2007 N.J. AGEN LEXIS 343, Final Decision (April 19, 2007).

Claim was justifiably denied where purchaser of a new home signed a document that excluded several items from New Home Warranty coverage, including water in the basement; affixing one's signature to a document creates a conclusive presumption, except as against fraud, that the signer read, understood, and agreed to its terms. Rabban v. Bureau of Homeowner Protection/New Home Warranty Program, OAL Dkt. No. CAF 10667-06, 2006 N.J. AGEN LEXIS 1025, Initial Decision (December 15, 2006).

Initial Decision (2006 N.J. AGEN LEXIS 884) adopted, which concluded an absent piece of siding was a failure to complete, not a defect within the meaning of the New Home Warranty regulations. Sayko v. Trade Masters, Inc., OAL Dkt. No. CAF 04174-06, 2006 N.J. AGEN LEXIS 947, Final Decision (November 13, 2006).

Initial Decision (2006 N.J. AGEN LEXIS 429) adopted, which concluded that complaints discovered and raised prior to the commencement of the warranty period and because of which the homeowner attempted to withhold money from the builder were not subject to the New Home Warranty Program. Moore-Pak v. Promar Builders, OAL Dkt. No. CAF 05680-05, 2006 N.J. AGEN LEXIS 514, Final Decision (July 17, 2006).

Initial Decision (2006 N.J. AGEN LEXIS 355) adopted, which concluded that, since all of the items submitted in homeowners' New Home Warranty claim were repaired by a third party without authorization from the Bureau of Homeowner Protection, the claims were barred pursuant to N.J.A.C. 5:25-3.4(a)5 and 10. Magier v. Bureau of Homeowner Protection, New Home Warranty Program, OAL Dkt. No. CAF 6811-05, 2006 N.J. AGEN LEXIS 520, Final Decision (July 17, 2006).

Initial Decision (2006 N.J. AGEN LEXIS 286) adopted as modified, which concluded that where homeowners claimed that blue masking or painter's tape was left on the thresholds of three exterior doors, the decision to deny the claim on the grounds that it was an "incompletion," pursuant to N.J.A.C. 5:25-3.4(a), was puzzling since there was no evidence that the doors were in any way incomplete; rather, the correct regulations to apply were N.J.A.C. 5:25-3.5(a)1, (e)2, and (h)7, which required that the builder use good industry practice and assure the quality of material and workmanship, the quality of carpentry and trim, and painting deficiencies, respectively. As with the spray paint, writings, and concrete splashes on the basement walls, the blue tape and globs of spackle had to be removed as well. Sosdorf v. Bureau of Homeowner Protection, New Home Warranty Program, OAL Dkt. No. CAF 273-06, 2006 N.J. AGEN LEXIS 517, Final Decision (May 22, 2006).

Where the Bureau of Homeowner Protection (BHP) denied homeowners' claims regarding deficiencies in their hall and master bathrooms based on N.J.A.C. 5:25-3.4(a)12, BHP correctly directed that the defects, which consisted of gaps around the top edge of the shower stalls and bathroom walls, were to be corrected by repairing the open joints, touching up the finish coating, if required, and caulking open joints between dissimilar materials; homeowners were not entitled to have the units removed and the space framed correctly, or to have the units replaced with ones that fit correctly. Sosdorf v. Bureau of Homeowner Protection, New Home Warranty Program, OAL Dkt. No. CAF 273-06, 2006 N.J. AGEN LEXIS 517, Final Decision (May 22, 2006).

Initial Decision (2005 N.J. AGEN LEXIS 477) adopted, which concluded that 27 punch list items discovered after closing were properly denied coverage under the New Home Warranty Program, pursuant to N.J.A.C. 5:25-3.4(a)1, because they were covered by an escrow account, established by verbal agreement of the homeowner and builder in order to cover construction defects and incomplete items. There was no limitation placed on the items covered by escrow, and neither the homeowners nor their attorney ever disputed the inclusion of the additional

items. *Davlouros v. Erbe Builders, Inc.*, OAL Dkt. No. CAF 6358-04, 2005 N.J. AGEN LEXIS 1122, Final Decision (October 26, 2005).

Homeowners' demolition of defective deck prior to inspection precludes relief under New Home Warranty Protection Program. *PreCourt v. Bureau of Homeowner Protection*, 96 N.J.A.R.2d (CAF) 68.

Structural damage due to neighbor's excavation blasting not covered under New Home Warranty Program. *Williamson v. Community Affairs Department*, *Homeowner Protection Bureau*, 96 N.J.A.R.2d (CAF) 33.

Unilateral repairs without resorting to required claims procedures precluded coverage under new home warranty program. *Elliott v. Department of Community Affairs*, 95 N.J.A.R.2d (CAF) 81.

Escrow agreement excluded defects; New Home Warranty Program. *Chaykowsky v. Department of Community Affairs*, 94 N.J.A.R.2d (CAF) 37.

Bureau of Homeowner Protection found claims of defects were not warranted. *Hsueh v. BLS Building Group, Inc.*, 93 N.J.A.R.2d (CAF) 45.

Defects not covered by warranty. *Narol v. New Home Warranty Program*, *Bureau of Homeowner Protection*, 92 N.J.A.R.2d (CAF) 65.

Wet basement problems; New Home Warranty Program. *N.J.S.A. 46:3B-10 et seq. Sussman v. Ocean Heights Realty Co.*, 91 N.J.A.R.2d (CAF) 9.

#### 5:25-3.5 Performance standards

(a) The following performance standards set minimum standards which prescribe the level for quality of materials and performances in workmanship for the construction of new homes.

1. To the extent that detailed minimum performance standards for construction have not been enumerated in these Performance Standards, builders shall construct homes in accordance with good industry practice which assures quality of materials and workmanship. Likewise, the validity of any home buyer's claims for defects for which a standard has not been enumerated here shall be determined on the basis of good industry practice which assures quality of materials and workmanship, and any conciliation or arbitration of such claims shall be conducted accordingly.

2. The Performance Standards list specific items with each separate area of coverage.

(b) Rules concerning site work are as follows:

#### 1. Grading:

i. Possible Deficiency: Settling of ground around foundation, utility trenches or other areas on the property where excavation and back fill have taken place that affect drainage away from the house.

(1) Performance standard: Settling of ground around foundation walls, utility trenches or other filled areas: which exceeds a maximum of six inches from finished grade established by the Builder/Warrantor.

(2) Builder/Warrantor responsibility: If Builder/Warrantor has provided final grading, Builder shall fill settled areas affecting proper drainage, one time only, during the first year Warranty period. Builder/Warrantor is then responsible for removal and replacement of shrubs and other landscaping installed by the Builder/Warrantor affected by placement of the fill.

#### 2. Drainage:

i. Possible Deficiency: Improper grades and swales which cause standing water and affects the drainage in the immediate area surrounding the home.

(1) Performance standard: Necessary grades and swales shall be established to provide proper drainage away from the house. Site drainage under this warranty is limited to those immediate grades and swales surrounding the home. Standing or ponding water within the immediate surrounding area of the home shall not remain for a period longer than 24 hours after a rain. Where swales are draining from adjoining properties or where a sump pump discharges, an extended period of 48 hours is to be allowed for the water to dissipate. The possibility of standing water after an unusually heavy rainfall should be anticipated and is not to be considered a deficiency. No grading determination is to be made while there is frost or snow or when the ground is saturated.

iv. The decision of the arbitrator shall fix responsibility and describe the nature and extent of the defect. The decision shall include a summary of testimony and evidence, a statement of factual findings, such technical analysis as may be necessary to support the decision and a statement of the rationale for the decision.

v. In all cases where an arbitration decision has been rendered, there shall be no recourse to subsequent arbitration. In the event the decision of the arbitrator requires clarification, either the claimant or the Division may request the arbitrator's jurisdiction be reinstated for the sole purpose of clarification of the award.

vi. A claimant who does not agree to binding arbitration may subsequently request an administrative hearing to review the decision of the arbitrator on the grounds that evidence was improperly excluded by the arbitrator or that the decision was unreasonable. Any such hearing request shall include the specific factual and/or legal basis for any claim of improper exclusion of evidence or unreasonableness of the decision, as the case may be.

vii. The Division shall, upon a finding by the Director that there exists a contested case, provide an administrative hearing in accordance with the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq. and the Uniform Administrative Procedure Rules, N.J.A.C. 1:1, when a party who applied for arbitration but did not agree that it would be binding submits a hearing request including all required information within 15 days of the date of service of the arbitrator's decision. The record of the hearing shall be limited to the record of the arbitration proceeding, except to the extent it is determined that the arbitrator incorrectly excluded any evidence that should have been admitted. The arbitrator may not be called as a witness by either party. The standard of review shall be the reasonableness of the arbitrator's decision.

4. Notwithstanding the provisions of (g)1 above, if the builder was notified of a major structural defect during the first two years of warranty coverage and is currently registered, the Division shall process a claim for remediation of such defect in accordance with subsection (c) above.

Amended by R.1980 d.158, effective April 15, 1980.  
See: 12 N.J.R. 249(d).

Amended by R.1980 d.316, effective July 17, 1980.

See: 12 N.J.R. 303(b), 12 N.J.R. 452(d).

Amended by R.1981 d.181, effective June 4, 1981.

See: 13 N.J.R. 187(c), 13 N.J.R. 333(d).

(c)3ii(1): "The Bureau . . . notice of such decision" added.

(e)1: "the Bureau of Construction Code Enforcement" added.

Amended by R.1982 d.386, effective November 1, 1982.

See: 14 N.J.R. 944(a), 14 N.J.R. 1210(a).

Added seven day limit to (b). Notice of Claim within 14 days after 30 day expiration period added to (b)3.

Amended by R.1986 d.141, effective May 5, 1986.

See: 17 N.J.R. 2816(a), 18 N.J.R. 959(a).

Substantially amended.

Amended by R.1991 d.140, effective March 18, 1991.

See: 22 N.J.R. 1701(a), 23 N.J.R. 847(c).

Stylistic revisions.

Amended by R.1992 d.246, effective June 15, 1992.

See: 24 N.J.R. 1149(a), 24 N.J.R. 2244(b).

New Home Security Fund liability limited.

Amended by R.1994 d.50, effective February 7, 1994.

See: 25 N.J.R. 4986(a), 26 N.J.R. 796(b).

Amended by R.1996 d.93, effective February 20, 1996.

See: 27 N.J.R. 4058(a), 28 N.J.R. 1225(a).

Amended by R.1998 d.126, effective March 2, 1998.

See: 29 N.J.R. 3916(a), 30 N.J.R. 825(a).

In (c)3i, rewrote (1).

Amended by R.1998 d.585, effective December 21, 1998 (operative March 1, 1999).

See: 30 N.J.R. 3632(a), 30 N.J.R. 4349(a).

### Case Notes

Bureau of Homeowner Protection's regulations, requiring that a claimant under the Home Warranty Program submit to the Bureau two or more bona fide estimates acceptable to the Division of Codes and Standards of the Department of Community Affairs for the work intended to be covered, pursuant to N.J.A.C. 5:25-5.5(e)2, as a condition precedent to certification for payment from the Home Warranty Security Fund, are neither arbitrary, nor capricious, nor unreasonable. *Aqua Beach Condo. Ass'n v. Department of Community Affairs*, 186 N.J. 5, 890 A.2d 922, 2006 N.J. LEXIS 9 (2006).

Final decision of the Commissioner of the Department of Community Affairs barring a condominium association's claims for reimbursement from the Home Warranty Security Fund for repairs under N.J.S.A. 46:3B-1 to 46:3B-20 was upheld on appeal since the association never followed up with the two required estimates it had to submit pursuant to N.J.A.C. 5:25-5.5(e)1 despite the Bureau of Homeowner Protection's repeated requests. In addition, there was no legally competent evidence to support the association's equitable estoppel claim that a Bureau engineer orally authorized the emergency repairs made by the association. *Aqua Beach Condo. Ass'n v. Department of Community Affairs*, 186 N.J. 5, 890 A.2d 922, 2006 N.J. LEXIS 9 (2006).

Defect in flooring was not covered after the first year because it was not an appliance, fixture, or equipment defect covered by a manufacturer's warranty, a mechanical or electrical system defect, or a major structural defect and, while it was certainly understandable that property owners would have reason to feel aggrieved in a situation in which a defect that may have been present all along only became evident after the applicable warranty period had expired, the one-year, two-year, and ten-year limitations, being statutory, could only have been changed by legislation and could not be waived by the New Home Warranty Program; the claimants did not timely file their claim, nor did they submit timely written notice of any defect to the builder at the builder's business address. *South Beach Condominium v. Bureau of Homeowner Protection, New Home Warranty Program*, OAL Dkt. No. CAF 04650-09, 2009 N.J. AGEN LEXIS 610, Final Decision (September 2, 2009).

Initial Decision (2009 N.J. AGEN LEXIS 432) adopted, which found that burden to substantiate the existence of an alleged defect that cannot be observed under "normal conditions" rests with the claimant. *Boslet v. KDP Developers*, OAL Dkt. No. CAF 04065-09, 2009 N.J. AGEN LEXIS 955, Final Decision (July 28, 2009).

Initial Decision (2008 N.J. AGEN LEXIS 738) adopted, which found that the Bureau of Homeowner Protection properly denied petitioner's claims because, although petitioner complained of standing water and debris left by the contractor, she had extensive landscaping work done on her property prior to informing the Program, rendering it impossible to verify whether petitioner had a covered claim. *Parker v. Noelle Construction Corp.*, OAL Dkt. No. CAF 4722-08, 2008 N.J. AGEN LEXIS 1279, Final Decision (August 25, 2008).

Initial Decision (2007 N.J. AGEN LEXIS 646) adopted as modified, which concluded that a New Home Warranty claim by a condominium association failed where the builder did not install caps on four of the

eight exterior waste access lines leading out from the driveways, but instead placed duct tape over the ends, and raw sewage leaked over approximately 20 square feet of driveway; although the association claimed that the leaking sewage created a public safety hazard and required immediate repair, the repair did not qualify as an emergency and thus the claim was barred because repair was done prior to the inspection or notice, contrary to N.J.A.C. 5:25-5.5(b). 229 East Pine Ave. Condo. Ass'n v. Bureau of Homeowner Protection, New Home Warranty Program, OAL Dkt. No. CAF 6112-07, 2007 N.J. AGEN LEXIS 951, Final Decision (October 30, 2007).

Initial Decision (2006 N.J. AGEN LEXIS 595) adopted, which concluded that homeowners' delay in filing their New Home Warranty claim could not be excused by their reliance upon the anticipated "good faith" of a builder who was clearly not responsive to their efforts. Laughlin v. Irish Builders, LLC, OAL Dkt. No. CAF 04670-07, 2007 N.J. AGEN LEXIS 844, Final Decision (September 14, 2007).

Initial Decision (2007 N.J. AGEN LEXIS 596) adopted, denying relief where homeowners' claims of basement leaks and flooding of the backyard due to an undersized water retention basin were not substantiated at the time of the inspection, citing N.J.A.C. 5:25-5.5(b)3iii. Lederman v. Paisley Associates, OAL Dkt. No. CAF 05442-07, 2007 N.J. AGEN LEXIS 845, Final Decision (September 14, 2007).

Initial Decision (2007 N.J. AGEN LEXIS 603) adopted, which concluded that although a homeowner may not file more than one New Home Warranty claim for the same defect, the homeowner's foundation substantially deteriorated as time progressed, such that the owner's second claim was not barred by the first claim. Evergreen Home Builders, L.L.C. v. Quara, OAL Dkt. No. CAF 11876-06, 2007 N.J. AGEN LEXIS 848, Final Decision (September 10, 2007).

Initial Decision (2007 N.J. AGEN LEXIS 50) adopted, which concluded that homeowners did not prove the existence of warrantable defects, other than those found by the Bureau; N.J.A.C. 5:25-5.5(b)3 places the onus on the homeowner to substantiate the existence of claimed warrantable defects, and the homeowner must prove the existence of warrantable defects by a preponderance of competent and credible evidence. Flaherty v. Bureau of Homeowner Protection, OAL Dkt. No. CAF 05213-06, 2007 N.J. AGEN LEXIS 88, Final Decision (February 7, 2007).

Initial Decision (2006 N.J. AGEN LEXIS 1023) adopted, which concluded that the homeowners' filing of their Notice of Claim with the State 11 days early was only a technical violation of 5:25-5.5(b) that did not bar a remedy under the New Home Warranty Act. The New Home Warranty Act is remedial legislation, its purpose being to provide the homeowner with an expeditious and secure remedy against defects occurring in a new home. Remedial legislation should be given a liberal interpretation, and the words used should be given the most extensive meaning to which they are reasonably susceptible. Weiss Road Holdings, L.L.C. v. Lobmeyer, OAL Dkt. No. CAF 10371-06, Final Decision (January 8, 2007).

Initial Decision (2006 N.J. AGEN LEXIS 884) adopted, which concluded that New Home Warranty claims filed just short of five months after the end of the first year of the warranty period were untimely, and the builder's repairs did not extend the time period; the Commissioner of Community Affairs and the Bureau of Homeowner Protection have long interpreted the notice requirements and the warranty period strictly. Sayko v. Trade Masters, Inc., OAL Dkt. No. CAF 04174-06, 2006 N.J. AGEN LEXIS 947, Final Decision (November 13, 2006).

Invoking N.J.A.C. 5:25-5.5(b)3(iii), the Bureau of Homeowner Protection (BHP) correctly excluded the installation of a tub drain from coverage under the New Home Warranty Program; although the homeowner had claimed that it was impossible for him to know if a leak existed, since the area underneath the tub/shower unit was not readily accessible and there was no ceiling directly underneath the unit to check for leakage, there was no warrantable defect absent evidence of a leak. Though the drain was slightly off-center, it was incorrect for the Administrative Law Judge to characterize the condition as a protrusion. Sosdorf v. Bureau of Homeowner Protection, New Home Warranty Program,

OAL Dkt. No. CAF 273-06, 2006 N.J. AGEN LEXIS 517, Final Decision (May 22, 2006).

Even if regulations required homeowners filing claim under New Home Warranty and Builders' Registration Act to submit two bid estimates by design professional for design work needed on structural repairs to their home, and homeowners were provided adequate notice of this requirement, homeowner's failure to provide those estimates did not justify the Bureau of Homeowner Protection's summary rejection of their claim; claims supervisor informed homeowners they would be allowed forty-five days to submit additional bids, but rejected homeowners' claim for unrelated reasons only nineteen days later. Lakhani v. Bureau of Homeowner's Protection. N.J.Super.A.D., 2002.

Closure of claim due to builder's compliance with arbitration requirements appropriate. Rafferty v. Department of Community Affairs, Bureau of Homeowner Protection, New Home Warranty Program, and Everlast Homes/Michael Rifkin, 97 N.J.A.R.2d (CAF) 58.

Home owner who refused to supply name of contractor doing repairs was not entitled to payment of claim by New Home Warranty Program. Hack v. Bureau of Homeowner Protection, 96 N.J.A.R.2d (CAF) 64.

Third-year new home warranty claim denied because complaints did not constitute major structural defects. Kershaw v. Homeowner Protection Bureau, 96 N.J.A.R.2d (CAF) 27.

Home warranty claim denied when no evidence of structural damage presented. Stephens v. BHP/NHWP, 96 N.J.A.R.2d (CAF) 19.

Hiring another contractor to remedy alleged defects without obtaining agency authorization operated to preclude remuneration under new home warranty program. Krochmal v. Department of Community Affairs, 95 N.J.A.R.2d (CAF) 89.

Unilateral repairs without resorting to required claims procedures precluded coverage under new home warranty program. Elliott v. Department of Community Affairs, 95 N.J.A.R.2d (CAF) 81.

Purchasers' warranty claims timely when filed within 14 days of builder's response through verbal acknowledgment. Lloyd v. Bureau of Homeowners Protection, 95 N.J.A.R.2d (CAF) 71.

Owners were justified in hiring another contractor to complete work upon initial contractor's unsuccessful attempt to waterproof basement. Lincoln Chester v. Bureau of Homeowner Protection, 95 N.J.A.R.2d (CAF) 59.

Homeowner relinquished any right to reimbursement for warranty work to correct defects by failing to obtain prior authorization. Lizzi v. Bureau of Homeowners Protection, 95 N.J.A.R.2d (CAF) 45.

Claims under new home warranty program were either untimely filed or were insufficient for failure to establish major structural defects. Harborview Condominium v. Bureau of Homeowner Protection, 95 N.J.A.R.2d (CAF) 38.

Repair of water streaming could only be accomplished by waterproofing as recommended by warranty analyst under arbitration award. Halaby v. Bureau of Homeowner Protection, 95 N.J.A.R.2d (CAF) 26.

Claim under common element warranty was dismissed when filed more than two years after warranty expired. Aleem v. Community Affairs, 95 N.J.A.R.2d (CAF) 24.

Denial of recovery; delay in filing claim and replacement of heating system before Bureau of Homeowner Protection had opportunity to inspect it. Cessaro v. Bureau of Homeowner Protection, 94 N.J.A.R.2d (CAF) 98.

Refusal to accept last settlement offer was proper reason for dismissal of claim. Kushner v. Barry Freedman, Inc., 94 N.J.A.R.2d (CAF) 85.

Claim for additional work due to unforeseen damage was denied where the owner did not allow the Bureau of Homeowner Protection to inspect. Promenade Condo Association v. Bureau of Homeowner Protection, 93 N.J.A.R.2d (CAF) 63.

Failure to give written notice and failure to perfect notice caused the claims to be rejected. *Yelinko v. Department of Community Affairs*, 93 N.J.A.R.2d (CAF) 54.

Warranty claim was treated as second year claim even though the builder admitted within the allowed time defects existed but failed to take action. *Schwanda v. Department of Community Affairs*, 93 N.J.A.R.2d (CAF) 39.

Failure to obtain two estimates and written authorization prior to repair precluded recovery on warranty. *Lavin v. Bureau of Homeowner Protection, Dept. of Community Affairs*, 92 N.J.A.R.2d (CAF) 68.

Warranty fund is to pay for correction of defects in the least costly manner. *Bogaev v. New Home Warranty Program*, 92 N.J.A.R.2d (CAF) 49.

Repair prior to inspection barred payment for cost. *Lipton v. Department of Community Affairs*, 92 N.J.A.R.2d (CAF) 30.

Failure to file claim within one-year period for defects caused by faulty workmanship and defective materials barred recovery. N.J.S.A. 46:3B-2, 46:3B-3. *Bridgewaters Townhouse Condominium Ass'n v. New Home Warranty Program*, 92 N.J.A.R.2d (CAF) 25.

Claim under New Home Warranty and Builders' Registration Act was untimely. *Bridgewaters Townhouse Condominium Association v. New Home Warranty Program*, 92 N.J.A.R.2d (CAF) 24.

Procedural requirements under former regulation; reimbursement amount to owner from builder to be determined by Bureau of Construction Code Enforcement. *Kratchman v. Gabriel S. DiMedio, Inc.*, 5 N.J.A.R. 202 (1981).