



## Section 1: FAQs

### 1) What is NJ Directive 15?

NJ Directive 15 is a requirement mandated by the State of New Jersey that all private plan warranty administrators, including 2-10 Home Buyers Warranty (2-10), must verify that the registered Builder Member is the owner of the property that is being sold and enrolled in the private plan. This directive has been established by the New Jersey Department of Community Affairs (NJDCA). This means that the party that is selling a newly built home must be a registered home builder and a member of the private plan. This requires 2-10 to implement new verification procedures to comply with the NJDCA's directive.

### 2) When did the new procedures go into effect?

October 14, 2024. This means that all homes that a 2-10 Builder Member submits for enrollment in the 2-10 New Home Warranty Program on and after October 14, 2024, will require additional verification.

### 3) How will this affect my enrollments?

You will need to include either (a) the contract of sale or (b) the home's deed showing that you, as the builder, are the grantor of the property being sold when you submit your home for enrollment in the 2-10 New Home Warranty Program.

### 4) What if the homeowner hired me to build on their land?

In this case, you must submit to 2-10 a copy of the construction contract or a deed showing that the homeowner is the owner of the land that you're building on. In addition, the homeowner will need to complete and sign the New Jersey Homeowner Certification. [See more details here](#)

### 5) What if I need the warranty for a model home or home without a buyer (spec home)?

You will need to submit a copy of the deed to 2-10 to show that you, the Builder Member, have the deed in your name.

### 6) How do I submit verification documents?

Every enrollment now has the capability to upload documents through the Builder Portal, on the summary page, following enrollment of the home. Please upload your Directive 15 documentation there, which will allow our underwriting team to process your enrollment quicker.

### 7) What do I do if there's a different owner/seller of the property?

The NJDCA requires that any party selling a newly built home holds the title of the home. That owner/seller must have a New Jersey New Home Builder Registration that matches the membership registration with the private plan. Contact your local 2-10 Risk Management Specialist to discuss how to enroll the selling entity into the 2-10 Program.

### 8) Who do I contact to start the application process or with further questions?

Reach out to your local Risk Management Specialist.

### 9) What documentation is required to submit a new 2-10 Builder Member application for a selling entity?

We will need a copy of the seller's NJ New Home Builder Registration card along with a completed 2-10 New Home Membership Application. These can all be submitted online through our website, [2-10.com/builders-warranty](https://2-10.com/builders-warranty).



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## Section 2: Enrollment Requirements

The New Jersey Department of Community Affairs (NJDCA) is requiring all private warranty plans to obtain documentation from home builders to confirm any home being enrolled in the plan is being sold directly by the registered home builder who built the home.

### 1) Traditional Closings

Enrollments where a home buyer is purchasing a newly built home with a transfer of title.

**1. A deed showing the seller of the property is the registered home builder and the buyer of the property is the homeowner stated on the Certificate of Participation.**

OR

**2. A purchase/sales contract showing the company selling the property matches the company registered with 2-10 Home Buyers Warranty.**

- The seller's name must consistently be listed throughout the document and must be the name registered with 2-10 Home Buyers Warranty.
- If the company name listed as the seller does not match what is registered with 2-10 Home Buyers Warranty, we cannot accept for enrollment.
- An addendum showing one person is the owner of two different seller names will not be acceptable. The seller listed on the provided document must match the name registered with the NJDCA and 2-10 Home Buyers Warranty.
- The contract must be fully executed by both the seller and the buyer.

*\*See NJDCA Dir. 15 Paragraphs 2-3: [W]hichever entity or individual that transfers title to the new home must be a registered new home builder. When warranting new homes for new and existing members, new home warranty programs must verify ownership of the new home that is being sold to the new homeowner(s), who is going to personally occupy the property. This may be done by requiring a copy of the contract for sale (not the construction contract) or the deed.*

### 2) Other Closings

Enrollments where the home buyer has contracted with the builder to build a home on land owned by the home buyer.

**A certification from the land-owning home buyer AND either (a) the contract between the land-owning home buyer and the company registered with 2-10 OR (b) a current deed listing the home buyer as the owner of the land.**

- All closings require
  - Fully completed certification from all home buyer(s) on the [form provided by 2-10](#).
  - All home buyers must be listed on the Certificate of Participation.
  - If using a deed, it must show all home buyers are the current owners of record of the land.
  - If using a construction contract, it must be signed by the home buyers and the 2-10 registered home builder.

*\*See NJDCA Dir. 15 Paragraphs 3-4: The construction contract may be used only when there is no transfer of title and the homeowner who owns the land contracts with a builder to build a new home for his or her own personal use and occupancy... If there is no transfer of title the registered builder that contracted to construct the home shall issue the new home warranty.*