

# RESIDENTIAL

# Recap

For Members of Residential Warranty Company, LLC

HOME OFFICE

STONE EXTERIOR

HARD WOOD FLOORS

WALK IN CLOSET

TWO STORY HOME

CONDO

2 CAR GARAGE

WHAT'S  
**UNDER**  
YOUR HOOD?

It's that exciting time of year when the 2014 new cars make their debut and the choices are seemingly endless. Do you want a sedan, coupe, SUV, truck or some other style? Are you looking for ...four wheel drive, front wheel drive, rear wheel drive or maybe all wheel drive? What about cruise control, power windows, heated seats and blue tooth? Then, there are the newest bells and whistles... cars that park themselves, engines that turn off automatically at traffic lights to conserve fuel, radar that keeps you from drifting out of your lane and a collision warning with automatic braking when you get too close to the car in front of you. And, of course, do you want all of that to come in a black, blue, green or red metallic shell?

Hey, wait a minute, it sounds like cars are starting to catch up to houses based on the myriad of options that are available. What types of homes do you build... single stories, two stories, split levels, or maybe condos? Do your customers want home offices, media rooms, great rooms or in-law suites? How about nine foot ceilings, hard wood flooring, energy efficient appliances, and walk-in closets? Maybe you offer some new bells and whistles too...zero net energy houses that create as much energy as they consume, and door handles that have a self-sterilization system built in. Or, how about intelligent windows that can change from frosted to translucent to dark with the flip of a switch? And, do you encase all of that in brick, stone, stucco or siding?

Continued on page 2

## Renewing Your Membership is as Easy as 1, 2, 3!

By Bryon Earhart, Risk Manager

Have you signed up for Warranty Express, our online Enrollment and Renewal system yet?

It's fast, efficient and paperless. Currently, approximately 80% of RWC members renew their membership online. If you haven't signed up yet, please contact our office to get your password.

If you already have a password and are signed up for online renewals, watch your in-box. RWC sends an email to

Continued on page 9

### IN THIS ISSUE

RWC - Not a One Trick Pony.....	2
It's a Hit! Update on the New State Books.....	3
Case Study: Structural Defects.....	4-5
Selling Homes Without an Express Warranty?.....	6
Where Can I Find... ..	6-7
Builder Confidence in 55+ Housing Market.....	7
Incentive Program Membership Pays Of Big.....	8
Government Insured Loans Still Important.....	8
RWC Welcomes New Account Executive.....	9
Builder in the News.....	9
Kudos.....	9
Hope & Solace.....	9
Upcoming Events.....	9
Know Your Warranty.....	10-11
RWC Employees-of-the-Month.....	12
RWC Affiliate Achieves #1 Rating.....	12
Builder Spotlight.....	13
Safety Tips.....	13
Remodeling Remains an Important Part of Residential Home Building.....	14
Contact List.....	15
Warranty Book Update Tips.....	16

# RECAP

## What's Under Your Hood?

Continued from front cover

See any parallels here? Of course you do, but can you tell what is missing? We've actually left out the most important component in both cars and homes. No matter how big, how shiny, how luxurious your new car looks, it's worthless without a good engine. The same holds true for that new home you're building. Without a strong, well-built foundation the home is destined to fail. It's what's under the hood and what's supporting the house that makes all of the difference. Are you putting as much time and effort into making sure your foundations are solid and properly built as you are in all of those bells and whistles?

And there's one more common thread we need to mention...the warranty. A consumer would never consider buying a new car without a factory warranty. Why should they? It gives them confidence that the manufacturer is going to stand behind that car for a specified period of time. As an RWC member, you too are offering your customers the peace of mind that only a written warranty can provide. Be sure your homeowners know that you provide a quality product built on a firm foundation and that you are giving them a written promise to stand behind that product for years to come.

*Have a great Fall.*



## RWC - Not a "One Trick Pony"

Just like those builders who diversify their projects so that they stay busy regardless of what the economy is doing, RWC is also diversified in its product offerings.

We offer warranties for builders who provide remodeling services, construct commercial projects or even build detached garages. In addition, there are times when the traditional 10 year warranty is not a good fit, either for the builder or the project. For those unique times, RWC's affiliate, Residential Structural Warranty offers 1 year renewable coverage.

If you find yourself in a situation where the 'usual' warranty you provide just doesn't quite fit, give us a call! Odds are we will have a program to meet your needs.

### SPECIALTY WARRANTIES



#### 5 Year Commercial Warranty

- ▷ 1 Year of Coverage on Workmanship & Materials.
- ▷ 2 Years of Coverage on Selected Portions of Mechanical Systems.
- ▷ 5 Years of Coverage on Major Structural Components.
- ▷ Fees are based on square footage, type of construction and usage.

#### 5 Year Detached Garage Warranty

- ▷ 5 Years of Coverage on Designated Structural Elements.
- ▷ Includes specific and measurable standards to evaluate structural defects.

#### 1 Year Renewable Structural Warranty

- ▷ An innovative approach to written warranties available under the trademark name of Residential Structural Warranty.
- ▷ 1-year structural coverage is available on designated structural elements.
- ▷ Nominal administrative fee for the first year of coverage.
- ▷ Option to pre-purchase future years of coverage.
- ▷ Additional years of coverage are offered directly to homeowners by RSW.

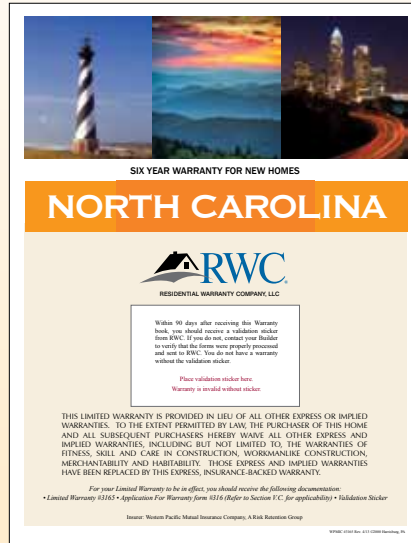
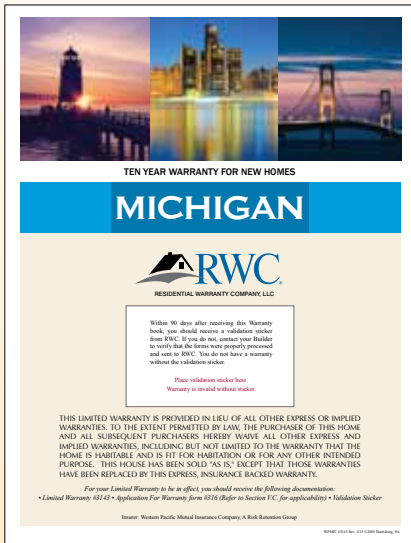
#### Conversion Warranty

- ▷ (For residential projects being converted from commercial buildings)
- ▷ Option A: 2 Years of Coverage on Workmanship & Materials.
- ▷ Option B: 1 Year of Coverage on Workmanship & Materials and 5 Years of Coverage on Major Structural Components.

# It's a Hit

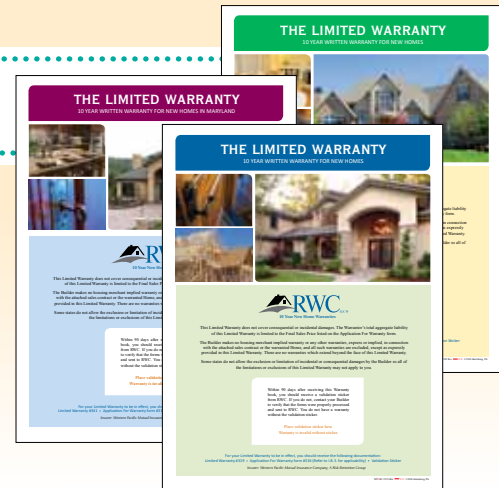
## Update on the New Full Color Customized State Warranty Books.

Response from our Members has been great on the new look of our customized state warranty books. We are seeing a definite uptick in the usage of the full color books indicating that, along with an increase in building activity, more Members are using the books as part of their marketing program. One builder commented to his Account Executive how much better he thought the book looked as part of the materials he provided to his buyers. Another large Member called his Account Executive as soon as he saw the first new book to order supplies for each of his divisions. He thought the books "were beautiful and would be very good for their marketing." So the early report seems to indicate that the makeover is a hit with our Members.



## Coming Attractions

Next on our to do list are the standard 10 year warranty books! The 2013 editions of our standard Major Structural Defect warranty, Maryland warranty, New Castle County, Delaware warranty and Designated Structural Element warranty are all awaiting our next HUD re-approval. We anticipate having that re-approval in place in the next month or so. Look for new graphics by early Fall! Our New Jersey warranty will undergo its own transformation by year's end with an anticipated publish date of early 2014.



**If you've never reviewed our exclusive Customized State Warranty program, you don't know what you're missing!**

Complies with your state's statutes  
 Flat enrollment rates with no deposits  
 Insurer covers structural defects from day ONE  
Full color warranty book - dynamic marketing tool

***Most unique and specialized warranty in the industry!***

Get the details: 800-247-1812 ext. 2149  
 or [rwc@rwcwarranty.com](mailto:rwc@rwcwarranty.com)



## Structural Defects - Yes, We Cover and Resolve Them

By Diane Naguski, Warranty Resolution Manager

Yes, our warranty does cover structural defects, and that structural coverage is just one of the many benefits of the RWC warranty programs. Providing an RWC warranty on your homes reduces your liability and assures you that your homeowners are protected for covered structural defects for the entire term of the warranty. RWC offers two different types of structural coverage, Major Structural Defect (MSD) coverage and Designated Structural Element (DSE) coverage. During the coverage periods when the Insurer is the Warrantor, the warranty resolution process includes a free fact-finding inspection by a licensed, professional engineer. After that inspection, RWC determines whether the alleged defect is covered. If coverage is granted, then RWC repairs, replaces or pays the reasonable cost of repair or replacement of the affected structural component. Here are two actual case studies showing the coverage we provide and the manner in which we handle homeowner complaints:

### Case Study #1

The first home was in Year 10 of coverage. The homeowner claimed that “the garage foundation has failed causing cracks, sinking of floor and walls.” He also complained that the damage did not allow a door to function properly. RWC retained a licensed, professional engineer and scheduled him to perform an inspection of the home. RWC uses the observations and opinions of engineers to make cover-

age determinations when homeowners allege that their home has an MSD or a defect in a DSE. The engineer found and reported that there were foundation wall cracks along the perimeter of the garage and indicated that the cracks were particularly obvious in the area of the main door. Elevation readings indicated that the garage had experienced significant differential settlement and that settlement was an ongoing problem. The engineer gave us his opinion that the garage foundation wall had failed. The combination of failure of a structural element, actual damage to a structural element in the form of cracks

wall. RWC then hired a contractor to visit the home to provide an estimate based on the engineer’s repair plan. RWC offered a monetary settlement to the homeowner in the amount of the contractor’s estimate. The homeowner accepted the offer and executed the required Full and Final Release. The homeowner was satisfied and the claim was resolved without requiring the builder to take any action or pay one dollar to the homeowner.

### Case Study #2

Another home was the subject of three different requests for warranty perfor-



Providing an RWC warranty on your homes reduces your liability and assures you that your homeowners are protected for covered structural defects for the entire term of the warranty.

mance. The first was made in Year 4 by the original homeowners and alleged that the foundation was cracking and the rear of the house was sinking. They complained that they were unable to close

and lock interior and exterior doors as a result of the movement. They also complained of diverse distress occurring in various other areas of the house. RWC again hired a professional, licensed engineer, scheduled an inspection by him, and asked him to send us his observations and opinions. The engineer saw and reported cracks in the basement walls, racking of door frames throughout house and failure in the northeast portion

in the foundation wall, and an adverse effect on safety (the garage main door not functioning properly) satisfied the Major Structural Defect criteria. Thus we granted the claim. Next, RWC obtained a repair plan from the engineer. The plan called for the placement of seven hydraulically-driven push piers to stabilize the downward vertical movement of the garage’s foundation

RWC offers two different types of structural coverage, Major Structural Defect coverage and Designated Structural Element coverage.



of the foundation. RWC granted the claim on the basis of this report and obtained a repair plan from the engineer. The proposed repair required stabilizing the area of the foundation that had failed using hydraulically-driven steel piers for the foundation generally and a helical steel pier to stabilize the vertical settlement of an associated load-bearing column. RWC sent a contractor to the home to provide an estimate based on the engineer's repair plan and then offered a monetary settlement to the homeowner in the amount of that estimate. The homeowner accepted the offer and executed the required Full and Final Release.

The home was sold to a second homeowner who filed a claim in Year 7. RWC's investigation of that claim revealed that the first homeowner did not make proper repairs to the foundation and that the

area of the foundation covered in the original claim was still in a failed condition. RWC denied the claim on the basis of the release the original homeowners had signed. The second homeowners did not dispute RWC's determination of that claim, but in Year 10 they filed another request for warranty performance, this time listing several other areas of the home that they believed showed evidence of structural defects. RWC hired the same engineer we had hired on the first file, who performed another fact-finding inspection. The engineer concluded that there was failure and physical damage at the front foundation wall and that the front door was not operating properly. Since this was an area of the foundation different from the one covered in the Year 1 file, RWC granted coverage of the front foundation wall. A plan of repair was obtained from the engineer along with

a contractor's estimate, and an offer of settlement was made to the homeowners in the amount of that estimate. The homeowners accepted the offer and signed the Full and Final Release. This case is a good example of how RWC's coverage continues to benefit the homeowners during the full term of the warranty and of how RWC's release language protects against future claims and liability.

These are just a couple of examples from our nearly 100,000 Warranty Resolution files that show how homeowners and builders alike are protected by the RWC warranty programs. Homeowners receive assurance that their homes will be fixed if they experience defects covered by the warranty, and builders have their customers satisfied by an experienced and capable Warranty Resolution staff at no cost to them – a great value to both parties!

## *Warranties and Insurance - Joined Forces*

### **Coverage Available:**

- General Liability
- Completed Operations
- Builders Risk
- Contractors Equipment



Exclusively for RWC Members  
Insurer rated "A-(Excellent)"  
Streamlined Underwriting

**Call for your quote: 866-454-2155**

# RECAP

## Selling Homes Without an Express Warranty? Builder Beware!

By Richard Swartz, Corporate Counsel

The last couple decades have seen dramatic changes in the relationship between builders and their customers. A generation ago construction defect litigation rarely affected builders. In many jurisdictions, the old legal maxim caveat emptor, or “let the buyer beware”, applied to the sale of new homes. Twenty-first century American society has turned that principle on its head. A more accurate watchword in these times is caveat builder or “let the builder beware” of litigious homeowners and plaintiffs’ attorneys bent on making a lucrative monetary recovery in court for every perceived defect in every new home.

Residential construction litigation has increased in frequency and expense dramatically in the past two decades and exponentially in the past few years. Homeowners recover hundreds of millions of dollars from builders every year, and a typical settlement of a condominium association claim is not measured in thousands of dollars, but in millions of dollars.

A recent study revealed that more than half of all homeowner claims are about



actual work performed in the building of the house and not about design, materials or maintenance. These complaints can create logistical headaches for builders and can lead to litigation that is expensive and tends to distract builders from their primary focus of building and selling homes. Express home warranties reduce the work, anxiety and expense of these kinds of claims by spelling out the rights and remedies of the parties and by providing for arbitration, a quick and relatively inexpensive method for resolving disputes.

Arbitration provisions in express warranties provide that mutually agreed upon, neutral arbitrators hear the evidence from the parties and determine, without passion or prejudice for either side, who

owes what to whom. Because most arbitration services have streamlined procedures, and because there are no juries for whom the lawyers must “dramatize” the case, arbitrations often result in less expense and reduced animosity between the parties.

In today’s world there is no reason why builders or homeowners should beware of dealing with each other after the settlement on a new home. If a builder provides his customer with an express warranty administered by a neutral third party, both the builder and the homeowner can enjoy peace of mind because they have a clear and written description of how the home should perform and a quick, fair, and inexpensive process for resolving any disputes that might arise.

If you need information on the procedures and/or rates to enroll ALL your building projects (remodeling, commercial, detached garages, condominiums, townhomes, etc.) with RWC to provide yourself with the most warranty protection available, contact your Account Executive at 800-247-1812, Ext 2149.

## WHERE

### Can I Find...

Need your Account Executive’s phone number? Want to check the enrollment status of a home? The RWC website is chock full of resources for you. We listed some of the more frequently used sections here for easy reference. Start by heading to the website at [www.rwcwarranty.com](http://www.rwcwarranty.com).

### Your Account Executive

From the home page, click on “Builders” and then hold the cursor over the “About Us” button (either top right option on the menu bar or last option in the left column) to highlight the choices. Select “Find Your Account Executive”. Click on your state and up pops your rep!

### Enroll a Home



From the home page, click on “Warranty Express”. Sign in to Warranty Express with your registration # and password.

### Check Enrollment Status of Homes

From the home page, click on “Warranty Express”. Sign in to Warranty Express with your registration # and password. “Order History” and “Report” options are available in the “Main Menu” section.

## Builder Confidence In 55+ Housing Market Shows Significant Improvement Index Reaches Highest 2nd Quarter Number Since '08

(Source: National Association of Home Builders)

Builder confidence in the 55+ housing market for single-family homes showed strong continued improvement in 2013 compared with the same period a year ago, according to the National Association of Home Builders' (NAHB) latest 55+ Housing Market Index (HMI). The index increased 24 points to a level of 53, which is the highest second-quarter number since the inception of the index in 2008 and the seventh consecutive quarter of year-over-year improvements.

Builders and developers for the 55+ housing sector are feeling optimistic as they are seeing more consumers return to the marketplace. With existing home prices rising, consumers are able to sell their current homes and make the move toward either purchasing a home or renting an apartment that is designed to more specifically suit their lifestyle.

There are separate 55+ HMIs for two segments of the 55+ housing market: single-family homes and multifamily

condominiums. Each 55+ HMI measures builder sentiment based on a survey that asks if current sales, prospective buyer traffic, and anticipated six-month sales for that market are good, fair, or poor (high, average, or low for traffic). An index number below 50 indicates that more builders view conditions as poor than good.

All of the components of the 55+ single-family HMI showed major growth from a year ago: present sales climbed 24 points to 54, expected sales for the next six months

increased 25 points to 60, and traffic of prospective buyers rose 26 points to 48.

The 55+ multifamily condo HMI posted a substantial gain of 24 points to 43, which is the highest second-quarter reading since the inception of the index. All 55+ multifamily condo HMI components increased compared with a year ago as present sales rose 26 points to 44, expected sales for the next six months climbed 26 points to 46, and traffic of prospective buyers rose 19 points to 38.

The 55+ HMI for single-family homes almost doubled from a year ago. Sentiment in other segments of the 55+ market housing was strong as well. This is consistent with the increase in builder confidence we've seen in other NAHB surveys recently. At this point, the main challenge for builders in many parts of the country is finding enough build-able lots in desirable locations and workers with the necessary skill set to respond to the increased demand.



**"Builders and developers for the 55+ housing sector are feeling optimistic as they are seeing more consumers return to the marketplace."**

### Order FREE Marketing Materials

From the home page, click on "Warranty Express". Sign in to Warranty Express with your registration # and password. "Order Supplies" is the last option in the "Main Menu" section. (You can also get to the Warranty Express tool by selecting "Marketing Materials" from the Builder page and then clicking on the RWC link.)

### Answer Clients' Questions on the Warranty

From the home page, click on "Homeowners". The 5th option in the left column is "FAQs About Your Warranty" and contains answers to the questions we hear the most.



### Get a GL Insurance Quote

The RWC Insurance Advantage can meet many of your commercial insurance needs. Get a quote by clicking on the RWC Insurance Advantage button on the home page. Then select "Apply Online" to receive your quote

### Wonder if There's a Warranty for That...?



RWC has more warranty options than you may realize. From the "Builder" page, select "Menu of Choices" in the left column to see all the options available to builders by virtue of their RWC Membership.

## Incentive Program Membership Pays Off – BIG!

RWC established the Incentive program over 25 years ago as a way to reward our members for their good claims experience, to increase loyalty to the RWC family and to provide yet another reason to choose RWC over the rest of the competition. Since that date, RWC and affiliates have distributed almost \$19.6 MILLION in Incentive distributions back to Incentive members and we are knocking on the door of that \$20 million mark!

To qualify for the Incentive Program, a Member must enroll at least 20 homes per year or have an annual enrolled sales volume of \$2 million. A free computerized analysis illustrating how the Incentive Program can work for you is available upon request.

### Other benefits of the Incentive program include:

- The annual re-registration fee of \$295 is waived for Incentive Members, which saves an addition \$1180 in years 2-5 of membership.
- The value of the Incentive distributions greatly reduces the effective cost of the warranty fee.
- The Member enjoys a locked-in enrollment rate under the standard program throughout the duration of their Incentive membership.

Joining the Incentive Program is the best way for our Members to maximize their dollars and reap the rewards of quality construction and customer satisfaction. If you think your company will meet the eligibility requirements, call us to take the next step in building your own Incentive reward!



*RWC Senior Account Executive, Jana Watts, presents an Incentive program check for over \$17,000 to Melvin Hecht (left) and Adam Segal (right) from Segal & Morel Inc.*

## Government Insured Loans Still Important in New Home Market

(Source: National Association of Home Builders)

As of 2012, FHA/VA insured loans still account for well over 20 percent of the market for new single-family homes, according to data from the Survey of Construction (SOC).

The SOC is conducted by the Census Bureau and is partly funded by HUD. Among other things, the SOC collects information on the type of financing that has been or will be arranged for new homes. Builders have the option of checking a mortgage insured by the Federal Housing Administration (FHA), a mortgage insured by the Veteran's Administration (VA), conventional financing (i.e., a mortgage not insured by a government agency like FHA or VA), cash, and "other."

During the peak years of 2005 and 2006, conventional loans accounted for over 85

percent of the new home market. With the subsequent financial crisis and housing downturn, the conventional financing share dropped sharply to under 60 percent. Cash and "other" made up part of the difference, but the increasing share of loans insured by FHA and VA was particularly dramatic - from 5 percent in 2006 to as high as 27 percent in 2010.

The policy implication is clear. During boom times, government insured mortgages may seem unnecessary, but the



insurance is sorely needed to prop up activity during a severe downturn.

As of 2012, the signs of stress in the new home market, as demonstrated by the type of financing, have not eased much. Conventional mortgages still account for fewer than 60 percent of the new home market, and the FHA/VA insured share is still well over 20 percent.

*Several of the RWC warranties are "FHA/VA approved" and contain specific wording in the Addenda section of the warranty book. If you have questions on this coverage, contact your Account Executive at 800-247-1812, Ext 2149.*



## RWC Welcomes New Account Executive

It is with great pleasure that we introduce you to Fred Taylor, RWC's newest Account Executive. Fred's territories will consist of North Carolina and South Carolina.

Fred has been involved with business to business sales and traveled extensively for over 20 years. His experience, attention to detail and customer service make him an ideal candidate for us as well as our members.



We welcome Fred to our organization and are proud to have him as part of our sales team.

## Builder in the News

Congratulations to McKee Builders of Springfield, PA, who was recently presented with a Regal Award from the HBA of Delaware for Best Color Print Ad and Best Sales Office.

## Kudos

RWC loves to hear about your wonderful customer service experiences with our staff. One satisfied builder states "Thank you, Jody, for all of your help in this complete endeavor. It is very refreshing to deal with true professionals."

## Hope & Solace

Mother Nature has certainly made her presence felt over the last year. Our heartfelt sympathy goes out to all the victims of hurricanes, tornados and flooding across our country.

## Renewing Your Membership is as Easy as 1, 2, 3!

Continued from front cover

members 60 days prior to the renewal date. Since we know your in-box fills up quickly and sometimes things are missed unintentionally, RWC also sends out a postcard reminder letting members know when the online renewal is ready to complete.

Below is a sample email reminder you will see at the time of your renewal:

Subject: RWC Membership Renewal Reminder (000000)

Dear Member:

Thank you for your business this past year. We look forward to meeting your future warranty needs and ask for your assistance in completing your online Renewal Application.

You can access your Renewal Application using Warranty Express at the following URL: <http://warrantyexpress.rwcwarranty.com>

In order to log into Warranty Express, you will need your Warranty Express Login ID (which is listed in the subject line of this email) and a password. If you do not have a password, please contact the membership dept at [membership@rwcwarranty.com](mailto:membership@rwcwarranty.com) to have an account created.

If you already have a password, you can log into Warranty Express and click on "Renewal" in the main menu to complete the Renewal Application.

We appreciate your business! If you should have any questions or concerns, please do not hesitate to contact us at 800-247-1812.

## UPCOMING EVENTS



## 2014 TRADESHOWS

- ▶ **Louisville Manufactured Housing Show:** January 22-24  
Louisville, KY
- ▶ **International Builders Show:** February 4-6 • Las Vegas, NV
- ▶ **Builder Mart:** March 19 • Timonium, MD
- ▶ **Atlantic Builders Convention:** March 26-27 • Atlantic City, NJ
- ▶ **National Congress & Expo:** April 15-17 • Las Vegas, NV

## Know Your Warranty

### Email Notices for Unresolved Warranty Issues



We told you last year at this time that soon homeowners would be able to submit requests for warranty performance by email providing they follow the notification instructions outlined in the warranty book applicable to their home. This language is now in all of the customized state warranties and will also be included in the standard warranties with the 2013 edition planned for late summer/early fall publication. Because we want to make sure you are aware of it, we felt it merited a reprint.

#### CUSTOMIZE STATE WARRANTIES

##### Section III. A. Notice To Warrantor

If a Defect occurs, you MUST notify the Warrantor in writing as provided below. This written request for warranty performance must be emailed to [warranty.resolution@rwcwarranty.com](mailto:warranty.resolution@rwcwarranty.com) or postmarked no later than thirty (30) days after the expiration of the Applicable Warranty Period. For example, if the item is one that is warranted by your Builder during the first year of coverage, a request for warranty performance must be emailed to [warranty.resolution@rwcwarranty.com](mailto:warranty.resolution@rwcwarranty.com) or postmarked no later than thirty (30) days after the end of the first year to be valid.

##### Section III.B. How to Notify the Administrator

1. Written notice to the Administrator of a request for warranty performance must be emailed to [warranty.resolution@rwcwarranty.com](mailto:warranty.resolution@rwcwarranty.com) or must be sent by Certified Mail, Return Receipt Requested, to: RWC Administrator, 5300 Derry Street, Harrisburg, PA 17111, Attention: Warranty Resolution Department.

##### Section IV.H. Other Provisions that Apply to this Warranty

Warranty must be in writing and emailed to [warranty.resolution@rwcwarranty.com](mailto:warranty.resolution@rwcwarranty.com) or sent by Certified Mail, Postage Prepaid, Return Receipt Requested, to the recipient's address shown on the Application For Warranty, or to whatever address the recipient may otherwise designate in writing. If you send your written notice by email to [warranty.resolution@rwcwarranty.com](mailto:warranty.resolution@rwcwarranty.com), the written notice will not be considered received without a valid confirmation of receipt number. If you do not receive a confirmation of receipt number within 48 hours of emailing your written notice, contact RWC by calling 717-561-4480 and request to speak with the Warranty Resolution Department's Customer Service.

#### STANDARD WARRANTIES

*Please Note: These revisions will be incorporated into the 2013 editions of the standard warranties (expected publish date: Fall 2013).*

##### Section II.D. Conditions

7. All notices required under this Limited Warranty must be in writing and sent by email or certified mail, return receipt requested. If you send your written notice by email, your written notice must be sent to [warranty.resolution@rwcwarranty.com](mailto:warranty.resolution@rwcwarranty.com). The written notice will not be considered received without a valid confirmation of receipt number. If you do not receive a confirmation of receipt number within 48 hours of emailing your written notice, contact RWC by calling 717-561-4480 and request to speak with the Warranty Resolution Department's Customer Service...

##### Section IV. Requesting Warranty Performance

A.3. If a request for warranty performance to your Builder does not result in satisfactory action within a reasonable time, written notice must be given to RWC, Administrator, at [warranty.resolution@rwcwarranty.com](mailto:warranty.resolution@rwcwarranty.com) or forwarded by certified mail, return receipt requested to 5300 Derry Street, Harrisburg, Pennsylvania 17111, Attn: Warranty Resolution Department. This notice should describe each item in reasonable detail.



## Know Your Warranty

**A.4.** Please note that a written request for warranty performance must be emailed no later than thirty (30) days after the expiration of the applicable warranty period or sent to RWC by certified mail, return receipt requested and postmarked no later than thirty (30) days after the expiration of the applicable warranty period...

**B.** If a Defect related to a warranted MSD occurs in Years 3 through 10 of this Limited Warranty, you must notify the Administrator to review the item within a reasonable time after the situation arises. All such notices must be presented in writing to RWC, Administrator, at [warranty.resolution@rwcwarranty.com](mailto:warranty.resolution@rwcwarranty.com) or forwarded by certified mail, return receipt requested to RWC, Administrator, 5300 Derry Street, Harrisburg, Pennsylvania 17111, Attn: Warranty Resolution Department. Any such notice should describe the condition of the MSD in reasonable detail. Requests for warranty performance emailed or postmarked more than thirty (30) days after the expiration of the term of this Limited Warranty will not be honored.



### Reasonable Weekday Access



Homeowners must provide reasonable weekday access to the Warrantor in order to perform its warranty obligations.

#### CUSTOMIZE STATE WARRANTIES

**Section III.C. Mediation and Inspection Following a Request to Administrator for Warranty Performance**

**2.** At any time after the Administrator receives proper notice of your request for warranty performance, the Administrator may schedule an inspection of the alleged Defect. You must fully cooperate with the Administrator by providing reasonable access for such inspection and by providing any information requested of you by the Administrator regarding such Defect.

#### Section III.D. Arbitration

**7.d.** You must provide the Warrantor with reasonable weekday access to your Home during normal business hours so that it can perform its obligations. Failure by you to provide such access to the Warrantor may result in further damage that will not be covered by this Limited Warranty and may extend the time during which the Warrantor may fulfill its obligations.

#### Section III.E. Conditions of Warranty Performance

**4.** You must provide the Warrantor and/or Administrator with reasonable weekday access during normal business hours to inspect the condition of your Home and/or to perform their obligations.

#### STANDARD WARRANTIES

##### Section IV.A. Notice to Warrantor in Years 1 & 2

**5.** You must provide the Warrantor with reasonable weekday access during normal business hours in order to perform its obligations. Failure by your to provide such access to the Warrantor may relieve the Warrantor of its obligations under this Limited Warranty.

##### Section IV.D. Mediation and Inspection

...At any time following the receipt of proper notice of your request for warranty performance, the Administrator may schedule an inspection of the item. You must provide the Administrator reasonable access for any such inspection as discussed in Section IV.A.5. The Administrator, at its discretion, may schedule a subsequent inspection to determine Builder compliance.

##### Section IV.F. Conditions of Warranty Performance *(being added to 2013 revision due out Fall 2013)*

**1.** You must provide the Warrantor and/or Administrator with reasonable weekday access during normal business hours to inspect the condition of your Home and/or to perform their obligations.



## RWC Employees-of-the-Month

### APRIL 2013: Donna Foose

Donna is a Membership Specialist responsible for processing new applications for builders enrolling in our program. She follows-up on alternative forms of security, such as Surety Bonds, Letters of Credit, Certificates of Deposit and Escrows and generates monthly reporting on behalf of the department. She received Employee of the Month, because she largely handled the influx of applications during this year's sales contest.

### May 2013: Susan Duncan

Susan is Office Manager for HOME of Texas' Houston office. She is responsible for helping the Houston office single-handedly, so duties vary widely including handling telephone calls, supplies, mail and data entry. Susan also prepares engineering reports for Warranty Resolution and attends me-

diations as needed. She assists with regional tradeshow, as well as the annual Board of Directors meeting for Warranty Underwriters Insurance Company.

### July 2013: Jody Kooiman

Jody is a Warranty & Subrogation Administrator at RWC. She administers and resolves high-profile claims, which tend to be complex and lengthy in nature. This means serving as a liaison and mediator between homeowners, builders, subcontractors and attorneys. Jody is readily able to step in and assist co-workers during manpower shortages or if there is an influx of work. This especially manifested itself when Warranty Resolution hired Summer help. Jody was largely responsible for training and mentoring the new hire. She also serves on both the Wellness and Social Committees.

## RWC Affiliate Acheives #1 Rating

Your Home Supply (YHS) is an RWC affiliate which brings the convenience of online ordering of building supplies to the builder's own purchasing department. YHS offers everything a builder needs to put that high quality, finishing touch to every home but with the simplicity and time efficiency that only online ordering can provide.

Recently, Your Home Supply attended an Overstock.com conference in Salt Lake City. The company was recognized as the #1 Partner with the Highest Scorecard Rating, beating out over 700 other companies. The scorecard is based on several different factors including on-time delivery, fewest short ships, returns, reviews, etc.

You can check out YHS on their website at [www.yourhomesupply.com](http://www.yourhomesupply.com).

## What can the RWC Remodeler's Program do for you?



Call 1-800-247-1812 Ext. 2149  
for more information or visit  
[www.rwcwarranty.com](http://www.rwcwarranty.com)

It takes lots of tools both to complete a remodeling project and to build a business. RWC offers you a selection of great tools to choose from; including the **Remodeler's Program**. This flexible warranty allows for customization based on each project and specific needs of the customer.

- Provide Security to Your Customers
- Economically Priced
- Effective Risk Management/Mediation Process
- Various Warranty Options Available



## Builder Spotlight



Twenty eight years ago, Spinnaker Island & Yacht Club of Hull, MA, a major development, was brought to life by the hands of Sandcastle Homes LLC's founders, Paul and Francine Townsend. Oceanside condos and deeded marina slips were two primary projects that Sandcastle Homes spearheaded, earning them 1985 National Builder of the Year.

Still going strong today, Sandcastle Homes builds premium modular homes and additions. They also specialize in sunrooms. Each sunroom is unique, Energy Star rated and features a special glass, granting the sunroom to be used all four seasons of the year.

The team of experts at Sandcastle Homes are highly dedicated to real estate and development. They believe in innovative approaches to building and turn-key projects. By using multiple factories, they are able to better suit the customer's budgets and needs.

In fact, one of Sandcastle's own, Pablo Saucedo, was a proud recipient of the "30 Under 40 Awards", presented by the Building Systems Council. Pablo started working at Sandcastle Homes in 2002. In a short 6 years, his leadership and talent propelled him to achieve the title of operations director, which he holds today.



RWC is pleased to have Sandcastle Homes as a member and wishes to congratulate them on all of their building successes.

### Are You Taking Full Advantage of Membership?

#### - Platinum Advantage -

Extended Warranty Coverage on Appliances & Systems in New Homes.

- You earn additional revenue.
- NO registration fee to join.
- Flexible coverage & options.

**PLATINUM ADVANTAGE**

*\*Please call for availability in your area.*

## Tips for Job Site Safety and Housekeeping

<http://www.ccicomply.net/ourblog/safety-tips-guidelines/job-site-housekeeping>

### WET CONCRETE SAFETY TIPS:

- Be sure to wear eye protection. Your eyes can be seriously injured due to splashing concrete.
- When raising or lowering concrete chutes, be aware of pinch points. These can take off a finger or hand if you're not paying attention.
- Wet concrete can conduct electricity. All electric tools should be grounded and used with care.
- Protect your back. Place wet concrete via chute, wheelbarrow or pump, as close to the work area as possible. Concrete should be pushed, not lifted, into place.
- Wear appropriate gear such as tall rubber boots, pants, waterproof gloves and long-sleeved shirts. Many times concrete can get trapped against the skin by falling into boots or gloves or when pants/shirts get soaked by concrete. Wet concrete left against the skin can cause third-degree burns and take many months to heal.

It's important to understand that you may not experience any acute symptoms right away if wet concrete touches your skin. But if you don't wash the area with cold clean water as soon as possible and a burning sensation continues or worsens, seek medical attention immediately.

## Remodeling Remains an Important Part of Residential Homebuilding

By Tony DeJesus, Integrity Underwriters

When the proverbial residential homebuilding bubble burst in 2008, shockwaves could be felt throughout the industry. Being at the epicenter of the national economic meltdown that was occurring at that time, literally all homebuilders had to scramble just to survive. As the catastrophic effects of this finally began to slowly subside and homebuilding began its slow recovery that is continuing to evolve today, homebuilders are finding that the remodeling work that virtually kept them afloat during the leanest of times still serves as a viable source of revenue in today's market.

To that end, it is important for the builder members of RWC to be reminded of several salient aspects pertaining to this segment of their operations:

### Substantive Versus Cosmetic Remodeling



As all CGL insurers, such as our own RWC Insurance Advantage Program would attest, underwriters have made a great many allowances to the hazards attributable to this type of business. Since remodeling had at one time been viewed as a small segment of most homebuilder operations, the general liability insurance exposure has increased with the amount of remodeling work being done, as well as the more substantive types of jobs being performed.

A "smaller" type of remodeling job tends to be more cosmetic in nature and may be able to be completed in a cursory



...homebuilders are finding that the remodeling work that virtually kept them afloat during the leanest of times still serves as a viable source of revenue in today's market.

manner, but the "large" types of jobs should be approached with the same diligence given any other building project. From architectural blueprints, to all of the necessary zoning and permitting, to all aspects of these projects, any shortcuts taken will invariably result in costly and potentially dangerous situations.

### Certificates of Insurance



As with all homebuilding, it is always wise to be mindful of the importance of utilizing subcontractors that are properly insured and can demonstrate this with a proper certificate of insurance. This is indispensable in maintaining the qualitative standards that a successful homebuilder needs to attain. Subcontractors that are either uninsured, or have insufficient coverage at the time of a problem occurring can cause havoc for the general contractor.

The legal responsibility to resolve any and all problems will then fall directly on to the homebuilder.

Homebuilders that base their business model on predictable accounting of such potentialities are properly prepared when faced with a problem situation when they can rely on the CGL coverage for those situations being directed to the subcontractor's insurance carrier.

### Look Out For Hidden Expenditures



On larger remodeling jobs that take place in subdivisions that have onerous association by-laws, make sure that these types of expenses are accounted for in the bidding process. For example, certain by-laws have very specific requirements for refuse disposal during the demolition portion of these jobs. It is wise to request and review all by-laws during the planning stages in order to properly address each potential situation.

Please note: For members of the RWC Insurance Advantage General Liability Program, all remodeling jobs of \$25,000 or more in size will require an RWC Remodeling Warranty which will give you the protection and peace of mind in knowing that these types of jobs are well covered.

Remodeling has probably become a larger portion of the homebuilder operation for the foreseeable future. Let's try and keep it a positive segment from all perspectives.

## Searching for an Answer?

Give us a call - We'll do our best to help! First and foremost, know that your Account Executive is ready, willing and able to help you with all of your warranty and insurance needs. Contact them directly and let them do the legwork for you.



### Who is My Account Executive?

#### Agnes Brennan

AR, CO, GA, IL, KS, KY, LA, MA, MI, MN, MO, ND, NE, OH, OK, RI, SD, TN  
800-247-1812 x2171  
agnes.brennan@rwcwarranty.com

#### John Felbaum

AZ, CA, NM, NV, OR, UT, WA  
702-340-7233  
john.felbaum@rwcwarranty.com

#### Fred Taylor

NC, SC  
800-247-1812 x2628  
fred.taylor@rwcwarranty.com

#### Lynn Nelson-Probst

DE, MD, VA, Washington DC  
800-247-1812 x2120  
lynn.nelson-probst@rwcwarranty.com

#### Linda Hepler

TX  
800-683-6833  
linda.hepler@homeoftexas.com

#### Tifanee McCall

Central & Western PA  
800-247-1812 x2132  
tifanee.mccall@mhwcconline.com

#### Jana Watts

AL, CT, FL, IA, ID, IN, ME, MS, MT, NH, NJ, NY, Eastern PA, VT, WI, WV, WY  
908-638-0473  
jana.watts@rwcwarranty.com

#### All Manufacturers and MHWC Builder/Dealers:

#### Tifanee McCall

Nationwide  
800-247-1812 x2132  
tifanee.mccall@mhwcconline.com



### Questions on the Warranty Program? Call 800-247-1812 or Email Us:

#### Enrollments (RWC & MHWC)

**Building Systems Enrollments**  
Dana, x2212  
dana.myers@rwcwarranty.com

#### Enrollments (HOME)

Rickey, x2188  
rickey.shatto@rwcwarranty.com

#### PBW, RSW, Remodeling & Garages, Warranty Express

Sandra, x2107  
sandra.sweigert@rwcwarranty.com

#### Membership/Renewal Questions

Stacy, x2186  
stacy.nice@rwcwarranty.com

#### Membership/New Application Status

Donna, x2148  
donna.foose@rwcwarranty.com

#### Warranty Resolution

Ann, x2200  
ann.cooper@rwcwarranty.com

#### FREE Marketing Materials

Meggie, x2105  
meggie-bedford@rwcwarranty.com

#### Logos for Websites

Ron, x2169  
ron.bostdorf@rwcwarranty.com

#### Accounting/Invoicing

Shirley, x2173  
shirley.poligone@rwcwarranty.com

#### Accounting/Incentive

Scott, x2102  
scott.longer@rwcwarranty.com



### Questions on the RWC Insurance Advantage Program? Call 866-454-2155 or Email Us:

#### Bonds, GL Ins, Bldrs Risk, Contractors Equip.

Bohdan, x2190  
bohdan.hoh@theparmergroup.com

#### GL Ins, Bldrs Risk, Contractors Equip.

Roberta, x2272  
roberta.woodhall@theparmergroup.com

#### Certificates, Loss Runs

Elaine, x2108  
elaine.bixler@theparmergroup.com

#### Audits

Ron, x2358  
ron.sweigert@theparmergroup.com



### Questions on RIA Insurance Claims? Call 866-239-2455 or Email Us:

#### Claims

James, x2455  
james.haley@integrityadministrators.com

Diane, x2238

diane.esser@integrityadministrators.com





5300 Derry Street  
Harrisburg, PA 17111

Presort STD  
US Postage  
Paid  
Harrisburg, PA  
Permit #954

## Warranty Book Update Tips from the Marketing Department

We certainly have been busy lately! Over the last several months, we made a concerted effort to give a large number of our warranty books a new, full-color dynamic look. If you need a supply of sample books, either login to Warranty Express through our website at [www.rwcwarranty.com](http://www.rwcwarranty.com) or give our Marketing Department a call to order what you need.

Points to Remember:

- We try to keep these books as up to date as possible so please don't order more than 3-4 months' supply at any one time. That way you won't be left with an outdated supply once the next revision rolls around.
- The book that is provided for your home buyer at closing is the revision that was in use at the time you initially enrolled the home. You may have done that prior to the newest revision being put into circulation. If you have any questions about which book to use at closing, contact our Enrollments Department and they will happily confirm the book to use.
- Sample books are a whole other story. In many cases, there is no problem whatsoever in using the previous revision as a sample. But if you have a stack of old books on your shelf and you're just not sure, give us a call and we'll help you sort it out. We can easily tell you which ones are ok to use and which ones should be recycled.
- If you are interested in using a program that you haven't used previously, contact our Sales Department; we'll have your Account Executive verify that your membership is set up properly.

Call 800-247-1812 *Enrollments:* Ext. 2212 • *Marketing:* Ext. 2105 • *Sales:* Ext. 2149

Corporate Email: [rwc@rwcwarranty.com](mailto:rwc@rwcwarranty.com)