

COLUMN FOR SEPTEMBER 3, 2005.
HEADLINE; NEW HOME INSPECTIONS

Q; We are looking into buying a new home. What can you tell us about buying from a Warranty builder? We have heard all the inspections are a daunting task, is this true?

A: Our readers questions could easily fill a small book as the New Home Warranty, now called Tarion and the required inspections that are part of this process. They can be confusing and frustrating. A consumer survey last year that ranked New Home Builders found that only 27% of Canadians trust their builder. The Canadian Home Builders Association (CHBA) is fully aware of this. The boom in new home construction has put considerable stress on Builders as they struggle to get and keep good trades and this has reflected in new home complaints. The largest single issue between a buyer and their builder is communications and here the members of the CHBA are taking steps to improve their image. One step they are lobbying for is to make it mandatory for all new homebuilders to be registered with Tarion. The numbers of "One-Timers" that build a home a year has skyrocketed and I have done inspections on these homes. They are a few very well built, unfortunately the majority are poorly assembled and it's commonly a lack of experience by the builder. Unfortunately it is the purchaser of this home that is left holding the bag with their only recourse being the legal process, usually an expensive route. It is time every new home built in Ontario was constructed by a registered builder. Homes today are too technical for the average person to build. Anyone can swing a hammer but understanding foundations and insulation, ventilation, and heating along with the changing codes for electrical, mechanical and plumbing makes this a full time job.

My first suggestion is to do your homework. Make sure the area you are looking into is where you want to live. Next, research the builder, visit neighbourhoods that they have built in and talk to the people who own this builders home. You will be asked to sign an agreement of Purchase and getting third party advise is recommended here. Once you sign on the dotted line you are committed to the purchase. Research the Tarion Web site. (www.tarion.com) to get a better understanding of the Warranty process. This organization is responsible for administering the New Home Warranty Act. Talk to your builder and get your copy of the Homeowners Information Package as early as possible. Read thru this and understand it clearly. There are three inspections to be done on your home. The first is the Pre-Delivery Inspection (PDI). This is done once the home is ready for you to occupy. Your builder should have a copy of the Occupancy Permit at this time. You cannot live in the home without this document. The Municipality issues it and it verifies that they have completed their inspections. There is an area on the Occupancy Permit for items to be completed after closing. Lot drainage, landscaping, walkways and driveways are often completed later; they should be noted on this document along with any other issues. The PDI takes to 2-3 hours, depending upon the size of the home and the issues that require documentation. Take your time and check the home over fully, it is your home once this is done and signed off. If you do not understand the process, hire a second party like a home inspector. Like your builder, research this individual fully. Some Inspection Companies do not inspect new homes while others have limited experience. You are relying on his expertise so make sure he knows houses. Ask if he was a builder, some home inspectors are former contractors.

The next report is the 30-day form. This is used to cover any issues that have not been corrected within 30 days and any new issues that have surfaced within that time frame. You must file this form on time, it is your responsibility. The last inspection is your year-end form and this must also be filed on time. This must be filed within the last 30 days of your first year, not 30 days after as some think. Documenting all of your concerns and complaints is your first line of defence if you are unable to get satisfaction from your builder and are forced to apply to Tarion. These three inspection forms are the only ones that Tarion recognizes; any other inspection forms are strictly a builder's courtesy.

By experience I have found most builders are accommodating. I often let the client visit their home or

renovation during construction. Ask for permission to visit your new home as it is being built, call ahead though as there are safety and security issues the builder is responsible for. Take the time to know your builder or site superintendent and ask your questions. If there is one single complaint heard on both sides is lack of communication. The only dumb question is the one you don't ask. Advertising and marketing can lead the buyer to believe their new home will be perfect. Remember one crucial thing, your new home is built by human beings and I have yet to meet a perfect one. However the majority of builders I know are proud of their homes and they want their customers happy, their reputation and livelihood depends upon it.

Now the answer to last week's question. What is a Plank? The answer was C) a 5" wide board used on its face for load. Now this week's question. What is a tail piece? Is it A) a short joist or rafter supported on one end by a header B) the final run of an ABS drain line including the vent stack. C) a section of ducting used when an HRV is added to the return air duct. The answer in next week's column.

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