

Getting to know your new home warranty

By Carmen Wyton, CEO, BILD Alberta

You've shopped around, analyzed your options and made the decision to purchase a newly built home. One of your primary roles as the homeowner is to educate yourself. This includes getting to know your builder and making sure your home is ready to stand the test of time with the help of new home warranty.

1-2-5-10 coverage

BILD Alberta members have been protecting home owners by securing warranty coverage for over 40 years. In 2014 the Government of Alberta introduced the New Home Buyer Protection Act to ensure every newly built home has the minimum 1-2-5-10 warranty coverage. This covers:

- 1 year for labour and materials including finishes like flooring, paint or trim;
- 2 years for delivery and distribution systems such as heating, plumbing and electrical;
- 5 years for building envelope protection including the roof and walls; and
- 10 years for major structural components including the frame and foundation.

There are seven warranty providers builders can partner with in Alberta so familiarize yourself with your builder's provider. Key questions to ask your provider include:

- When your warranty start dates are
- What base and additional coverage is offered
- How to make a claim

Visit www.homewarranty.alberta.ca for a list of warranty providers and more information on your role as a homeowner.

Additional coverage

Now that you know about the 1-2-5-10 mandatory coverage, take some time to look at additional coverage options that are available through your warranty provider.

One area to look at is pre-possession coverage including deposit protection. Putting a sizeable deposit down on your home is a large financial commitment. It's important to note that deposit protection is not part of mandatory coverage but would help protect you in the event that your builder defaults. Consider consulting with your real estate lawyer to help navigate all additional warranty options.



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Warranty Process

In the event that you encounter an issue with your new home your first step is to contact your builder to discuss the issue. Your builder may be able to address the issue directly. If your issue cannot be resolved with your builder, contact the warranty provider to guide you through the process of making a claim under your policy.

With the number of reputable new home builders in Alberta you may never need to make a claim but it's important to have your ducks in a row so you have peace of mind in your new home.

Visit www.BILDAlberta.ca to find a builder member in your area.

Until next month,

Carmen

Building Industry and Land Development Alberta Association (BILD Alberta) is the unified voice for the land development, home building and renovation industry in Alberta. BILD Alberta represents over 1,700 business members from 12 constituent associations committed to building communities throughout Alberta.

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