



Homeowner
Protection Office
Branch of BC Housing

Questions & Answers

New HPO Publication: *Residential Construction Performance Guide*

Q. What is the *Residential Construction Performance Guide*?

- A. The *Residential Construction Performance Guide* is a valuable reference tool for owners of new homes and residential builders in British Columbia. To protect consumers, every new home built for sale by a Licensed Residential Builder in B.C. is protected by mandatory third-party home warranty insurance.

This free online Guide explains in plain language how warranty providers may evaluate claims for possible defects in design, labour or materials in new homes built in the province.

Q. What is the purpose of the Guide?

- A. This Guide is intended to provide practical advance information to help both homeowners and builders better understand the minimum required performance of new homes covered by home warranty insurance in this British Columbia.

Q. Who developed the Guide?

- A. The Guide was created by the Province in partnership with the Homeowner Protection Office (HPO) and warranty providers for use in B.C.

Q. Does the Guide reflect the requirements of the BC Building Code?

- A. The Guide complements the British Columbia Building Code and goes beyond its minimum requirements to deal more specifically with defects in the design, materials and labour of new homes.



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Q. Is the Guide based on the requirements of the *Homeowner Protection Act*?

A. Yes. In 1998, the Government of British Columbia introduced the *Homeowner Protection Act* (the *Act*) to strengthen consumer protection for buyers of new homes and to improve the quality of residential construction in the province.

For most consumers, buying a new home or hiring a contractor to build their new home is one of the largest financial investments they will make. It's important that consumers can make that investment knowing that they will not be faced with unforeseen additional expenses to repair construction defects after they move in. For that reason the *Act* established a requirement that all new homes built for sale or under a construction contract must be covered by home warranty insurance or be exempted by the *Act*. The minimum standards of coverage are set by regulation and the Guide helps owners and builders better understand the required performance of a new home.

Q. How can the Guide help owners of homes with home warranty insurance?

A. Homeowners can browse the online Guide at their convenience to find out whether or not a concern they have with the quality of their new home - including possible defects in design, labour or materials - may be covered by their home warranty insurance.

The Guide outlines more than 200 possible defects that are searchable online. This includes the most common defect claims that might be submitted under a home warranty insurance policy - from windows that malfunction to driveway or interior concrete floors that have cracked, or siding that has buckled.



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Q. How can the Guide help Licensed Residential Builders?

- A. Although warranty providers are always ultimately responsible for repairing construction defects, most warranty providers have an indemnity agreement with each builder client. This requires the residential builder to correct defects for a certain period of time in which the home warranty insurance coverage is in effect. Residential builders can use the Guide to help meet or exceed the standard to which their new homes will be measured in the event of a claim.

Q. How will warranty providers in B.C. use the Guide?

- A. Warranty providers have agreed to use the Guide to help determine whether or not a defect claim is covered by their policies of home warranty insurance.

Q. Does the Guide provide performance guidelines for single-family residences as well as larger multi-unit residences?

- A. The Guide is designed primarily for conventional low-rise, wood-frame homes which is the predominant method of residential construction in B.C. However, it also provides some limited, but helpful guidelines with respect to the common property of larger, multi-unit buildings. This information is based on the most frequent concerns identified by warranty providers.

Q. Where can I find the Guide?

- A. Visit the Reports and Publications section of the Homeowner Protection Office website at www.hpo.bc.ca to explore this free publication which is only available online.