

Condo Smarts

Headline: What does my new warranty cover?

Topic: Warranty Claims

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Dear Condo Smarts: We live in a new strata development of 33 units in Surrey that was built in 2007. A roofing problem has come up with four of our units so we filed a warranty claim with our developer. The developer has come back to us and advised that the roof is not part of the building envelope and was only covered under the first two years of the warranty, which expired in April of 2009. What was the point of the warranty if a roof that we were told had a 35 year shingle is already failing in the first three years? Beth R.

Dear Beth: The statutory requirements for warranty coverage are set out by the Homeowner Protection Act and the Regulations. The roof is most definitely included in the building envelope as part of the definitions under the legislation in the five-year period. Here is Part 23 of the Act and the definition of building envelope under the regulations that sets out the mandatory protection:

A residential builder or an owner builder and a vendor of a new home are both deemed to have agreed with the owner of the new home, to the extent of the labour, materials and design supplied, used or arranged by the residential builder, owner builder or vendor, that the new home, except to the extent prescribed by the regulation,

(a) is free from defects in materials and labour and will remain so for a period of at least 2 years after

(i) the date an occupancy permit with respect to the new home was first issued, or

(ii) if no occupancy permit has been issued with respect to the new home, the date the new home was first occupied,

(b) is free from defects in the building envelope, including defects resulting in water penetration, and will remain so for a period of at least 5 years after

(i) the date an occupancy permit with respect to the new home was first issued, or

(ii) if no occupancy permit has been issued with respect to the new home, the date the new home was first occupied, and

(c) is free from structural defects, and will remain so for a period of at least 10 years after

(i) the date an occupancy permit with respect to the new home was first issued, or

(ii) if no occupancy permit has been issued with respect to the new home, the date the new home was first occupied.

"building envelope" means the assemblies, components and materials of a new home which are intended to separate and protect the interior space of the new home from the adverse affects of exterior climatic conditions

It is important for any new strata council or owner of a warranty covered home to a) ensure you have copies of the warranty documents; b) review the documents and determine when the warranty periods of 2-5-10 run out; c) annually meet your warranty obligations of inspection and maintenance; d) provide documentation in the strata minutes and reports verifying the inspection and maintenance; e) file all warranty claims in writing to both the owner developer and

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the warranty provider in the manner set out in the warranty documents. The warranty period is going to start running from either the first transaction or the first occupancy, so the two-year period and the five-year envelope period may come sooner than you think. For your protection, your strata may also want to retain a qualified consultant specific to the claim to ensure the repairs are completed to your satisfaction. In this case a roofing consultant. There is one issue that consumers often forget however. You are the owners of this property. The scope of work that was, or is going to be performed, must be disclosed to you, and will require your consent or agreement to effect the repairs. If there is a warranty claim and subsequent repairs, don't settle for band aid cosmetics or a worker on a ladder with a caulking gun. Failing to repair the claim properly the first time will likely plague your strata community with future damages, repairs and an eventual costly legal disputes with the developer and warranty provider.

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