

## About This Guide

### Overview

Buying or building a new home represents a significant financial investment. Consumers should be able to make that investment with confidence that their home will be free of unforeseen expenses to repair defects once they have moved in.

Alberta's *New Home Buyer Protection Act* (NHBPA) came into effect on February 1, 2014 to protect the interests of home buyers, home builders, and new home warranty providers alike. The NHBPA 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 from this requirement through an authorization from the New Home Buyer Protection Office of Alberta Municipal Affairs.

The *Construction Performance Guide for New Home Warranty in Alberta* is one of a number of resources created to support the implementation of the NHBPA by providing information and guidance to the general public, as well as homeowners, home buyers, builders, warranty providers, and other stakeholders involved in the construction and sale of homes.

The introductory sections of the Guide summarize key aspects of the legislation, and the bulk of the Guide catalogs issues commonly discovered in the first few years of the life of a home. The Guide indicates whether an issue can be defined as a defect under the legislation and explains the actions homeowners can expect warranty providers and builders to take to resolve those defects. The New Home Buyer Protection Office has produced this guide in order to ensure that homeowners, builders, and warranty providers alike clearly understand their rights and responsibilities under the terms of the NHBPA.

### Homeowners and the Guide

Whether they are buying their first home, their dream home, or their retirement home, a new home purchase is likely the single biggest investment most consumers ever make. Consumers should be able to make that investment with the confidence that their home will be free of unforeseen expenses and that defects will be rectified. This Guide pays particular attention to supporting homeowners by providing clear and concise information about Alberta's *New Home Buyer Protection Act* and its supporting regulations.

The information in the introductory sections of the Guide will help you understand new home warranty insurance in Alberta and the roles and responsibilities of builders, warranty providers, and homeowners under the legislation. Take the time to familiarize yourself with this material. Ask your warranty provider about key dates, such as when your coverage ends, recommended service schedules, information on required maintenance, and contact information. Familiarize yourself with your warranty provider's claim process and who to turn to if an issue goes unresolved.

Know your responsibilities for maintaining your home in order to maintain your warranty. These could include regular activities such as cleaning eavestroughs, changing furnace filters, and other functions that may impact your warranty.

Before filing a claim, make sure the issue is covered by your warranty. Review your warranty policy, including your start date and whether the issue is covered under the terms. You may wish to contact your builder to discuss the defect and see if the problem can be resolved without filing a claim.

**NOTE:** Contacting your builder does not constitute a claim under your warranty policy. Directly contact your home warranty provider to make a claim. Familiarize yourself with the claim process so you can take the required steps, when necessary.

The Government of Alberta has implemented an online registry for new home warranty. You can find information about your warranty and warranty provider by going to [homewarranty.alberta.ca](http://homewarranty.alberta.ca), selecting “Public Registry”, and typing your address into the search tool. The registry can also be used to check that the home you are considering buying has a warranty, and how much coverage is left.

## Purpose of This Guide

The Guide has been developed to provide homeowners, builders and warranty providers with an easy-to-use reference on basic requirements of warranty coverage under the NHBPA and recommended minimum performance expectations for new homes in Alberta. The Guide helps homeowners to understand whether or not an issue they encounter with their new home can be considered a defect and how to work with their builders and warranty providers to resolve such issues.

The Guide is not meant to be a comprehensive listing of all issues that can appear in a new home. The exclusion of any given issue from the Guide does not mean that it is not a defect or that a warranty provider is not responsible for addressing a claim related to that issue. The Guide is a living document, and defect content may be added in future versions based on input from homeowners, builders, and warranty providers. Homeowners should talk to their warranty providers regarding actions to be taken for addressing issues not listed in the current version of the Guide.

The Guide complements Alberta’s construction codes (including electrical, plumbing, gas, etc.) and other guidelines and standards set out by industry and manufacturers. The Guide does not supersede the codes, which primarily address issues of structural integrity and health or safety. Not all defects are code violations. In the event of a conflict between the Guide and any of the construction codes, the codes will take precedent.

The Guide primarily addresses low-rise, wood-frame homes, and may not apply in all respects to other types of residential dwellings. Where appropriate, specific defect entries have been written to take into account construction practices inherent to modular and ready-to-move homes. As well, the Guide contains guidelines for common property in multi-unit buildings.

Since the Guide may be revised from time to time, warranty providers have agreed that decisions shall be based on the current edition of the Guide. However, where the *Alberta Building Code* is referenced, the version of the Code that was in place at the time the building permit was issued would be applicable. The effective date of the Guide is indicated on both the cover of the Guide and on the top of each page. The Guide will be reviewed periodically and expanded or updated to reflect legislative/regulatory changes and/or changes in construction materials, technologies and best practices. To find the most current version of the Guide, please visit [municipalaffairs.alberta.ca](http://municipalaffairs.alberta.ca).

The *New Home Buyer Protection Act* and its supporting regulations were used as source material for portions of the Guide. This does not mean that the Guide serves as a replacement for or definitive interpretation of the legislation. In matters where the language in the Guide appears to conflict with the legislation, the legislation supersedes the Guide. As needed, the Guide will be revised to align with the NHBPA and supporting regulations, as well as relevant interpretive bulletins issued by the Registrar.

The views expressed in this Guide do not necessarily represent those of the Government of Alberta or of any individual contributor. The greatest of care has been taken to verify all information contained herein; however, each situation is different and readers are strongly advised not to rely simply on the contents of this Guide, but to carefully review the Act, the regulations and their home warranty insurance policy. When considering making a warranty claim, homeowners might wish to obtain construction and/or legal advice from qualified engineers, architects, licensed residential builders, and lawyers as may be appropriate for the specific circumstance.

Nothing in this Guide alters any rights or obligations of any party under the Act, the regulations or any other applicable laws. The Government of Alberta and those involved in the writing and publication of this Guide assume no liability for any statements made in this Guide or for any damage, loss, injury, or expense that may be incurred or suffered as a result of the use of or reliance on this publication.

## Acknowledgements

The Guide is the product of the combined efforts of a number of participating trade and industry groups, and could not have been developed without the commitment and cooperation of:

- Alberta Treasury Board and Finance
- Aviva Insurance Company of Canada
- Blanket Home Warranty Ltd.
- Canadian Home Builders' Association – Alberta
- Modular Housing Association - Prairie Provinces
- National Home Warranty Group Inc.
- Progressive Home Warranty Solutions
- The Alberta New Home Warranty Program
- Travelers Insurance Company of Canada

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## About the New Home Buyer Protection Act

### 1-2-5-10 Coverage

In order to better protect new homeowners, the *New Home Buyer Protection Act* requires that all new homes, other than those that are specifically exempt, must be covered by new home warranty insurance meeting the following minimum terms:

- 1) defects in materials and labour for at least 1 year after the commencement date of the home warranty insurance policy,
- 2) defects in materials and labour related to delivery and distribution systems for at least 2 years after the commencement date of the home warranty insurance policy,
- 3) defects in the building envelope<sup>1</sup>, including those resulting in water penetration, for at least 5 years after the commencement date of the home warranty insurance policy, and
- 4) structural defects for at least 10 years after the commencement date of the home warranty insurance policy.

As well, at the time warranty coverage is purchased, the warranty provider must offer the builder the option to purchase an additional 2 years of coverage for defects in the building envelope. As a homeowner, you should check your policy to verify coverage, as the builder may not have opted for the additional building envelope coverage.

### Owner Builder Authorization

Individuals who wish to build their own home may apply to the New Home Buyer Protection Office for an Owner Builder Authorization. If the application is successful, they may build their home without third party warranty. If the recipients of an Owner Builder Authorization sell their home within 10 years after first occupancy, they are required to purchase warranty coverage for the remainder of the warranty coverage periods described above.

Individuals who wish to build their own home may also obtain coverage for the home they are building at the start of construction much like a residential builder. Contact any of the Alberta's warranty providers for more information.

Owner builder criteria and owner builder authorizations can be found in sections 3 and 4 of the New Home Buyer Protection Ministerial Regulation.

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<sup>1</sup> "Defects in the building envelope" are defects that result in the failure of the building envelope to perform its intended function.

## Rental Buildings and Other Exemptions

A multi-unit rental building may be issued an exemption from the requirement for home warranty insurance if the owner registers an exemption with the Registrar that meets the conditions of ownership outlined in the New Home Buyer Protection Ministerial Regulation 2(5) and (6). The owner of such a building may not sell or agree to sell or make any other disposition of the building except if it is sold to a person who agrees to continue to use the building for rental purposes.

Hotels, motels, dormitories, care facilities, and relocatable work camps are exempt from the definition of “new home” and are not required to carry home warranty insurance. See section 2(2) of the New Home Buyer Protection Ministerial Regulation for more information on other exemptions.

There are also several organizations which have a named exemption in the New Home Buyer Protection Ministerial Regulation 2(2), (3) and (4).

## Transfer of Home Warranty Insurance Coverage

If ownership of the home changes within the period covered by the new home warranty insurance, the balance of the remaining coverage transfers to the new owner. All applicable remaining benefits that have not expired or been reduced from a previous claim are automatically transferred on change of ownership. Owners who sell their new home should provide the policy documents and the maintenance manual (if one has been provided) to the new owners. Notice to the warranty provider is not required.

## What’s Covered and Not Covered

Homeowners should carefully read their home warranty insurance policy to become familiar with the terms and conditions of their insurance, including commencement dates, exclusions, owner maintenance obligations, standard of coverage, financial limits of the policy, and materials, design, and labour supplied by the owner. These items are also addressed in the *New Home Buyer Protection Act* and its supporting regulations, including the Home Warranty Insurance Regulation of the *Insurance Act*.

Generally, home warranty insurance covers only *defects*, which are defined by the New Home Buyer Protection General Regulation as follows:

“ ‘defect’ means any design, construction or material used in the construction of a new home that is discovered after the commencement of coverage under a home warranty insurance contract and

- (i) is contrary to the building code,
- (ii) requires repair or replacement due to the negligence of an owner builder or a residential builder or person for whom the owner builder or residential builder is by law responsible,
- (iii) constitutes an unreasonable health or safety risk, or
- (iv) has resulted in material damage to the new home.”

Home warranty insurance does not deal with contract-related issues such as substitution of materials or colours or failure to deliver on some aspect of the contractual agreement between builder and home buyer. Issues such as delayed occupancy, financial issues, including deposit refunds and cost overruns, or incomplete work are also considered to be contract-related issues. It is generally considered the homeowner's responsibility to address these issues directly with the builder. Your builder may offer deposit insurance; however, this is separate from your home warranty insurance.

Site grading and surface drainage beyond what is prescribed by the *Alberta Building Code* may be excluded from coverage; landscaping, municipal services, and non-residential detached structures such as garages, garden sheds or other outbuildings (certain exceptions apply to condominium common property) may also be excluded.

Weathering, normal wear and tear, and normal shrinkage of materials are excluded, as are damages caused by acts of nature, animals or insects, and fire.

Damages caused by abuse, owner negligence, or improper maintenance and damages resulting from work performed by the owner or under the owner's direction after occupancy are not covered under warranty.

A detailed list of permitted exclusions can be found in section 6 of the Home Warranty Insurance Regulation of the *Insurance Act*.

### **Walk-Through Inspection**

Prior to commencement of warranty, often before closing or settlement, the builder and homeowner will perform a walk-through to inspect the property together. During the inspection, the homeowner and builder should verify that all terms of the contract have been met, the home is completed, and major items are in working order. Often, builders will take this opportunity to provide the homeowner with a new home orientation to explain operation of the home's systems and provide manuals and maintenance documentation.

During the inspection, the homeowner and builder should thoroughly examine the entire interior and exterior of the home. Any damaged, incomplete, or missing items, as well as anything that is not operating properly, should be noted and recorded on the inspection form. The rectification of deficiencies noted during the walk-through inspection is a contractual matter between the builder and homeowner and may be excluded from warranty coverage.

Warranty providers will usually have a form for recording the results of the walk-through inspection but may use varied terminology to describe it, such as pre-delivery inspection, completion certificate, or certificate of possession. It's important to note that warranty providers will generally rely on information recorded (or not) and agreed to on the inspection form to determine whether or not they will cover items like, but not limited to, physical damage to materials (such as finished flooring,

countertops, or plumbing fixtures), incomplete work, and accepted work. Where such damage occurs after occupancy, the damage may not be covered as a defect.

The process of purchasing a home is separate from the application of home warranty insurance. While builders may undertake to repair, replace or otherwise deal with a number of issues at the inspection and record that on an inspection form, that does not mean that those issues will be covered by home warranty insurance in the event that the builder does not follow through. Regardless of what a builder might promise, home warranty insurance is limited to the correction of defects as set out in the policy and in the *New Home Buyer Protection Act* and its supporting regulations.

## Commencement Dates for Home Warranty Insurance

Knowing the commencement date for a home warranty insurance policy is important. If the home is a single family dwelling or a single unit in a multiple family dwelling, depending on the ownership conditions, coverage may commence the earlier of:

- the date the home is first occupied,
- the date an accredited agency, accredited municipality, or accredited regional services commission grants permission to occupy the home, or
- transfer of title.

Common property coverage for a condominium begins when:

- the title of an inhabitable unit transfers in an arms-length transaction and
- the builder has entered into an agreement with a qualified person to have a Building Assessment Report prepared for the building or phase within 180 days of the transfer of title.

For further details on commencement of coverage, please refer to the *New Home Buyer Protection Act* and the *New Home Buyer Protection General Regulation*.

## Maintenance Required

Proper care and maintenance is important to preserve the long-term value of any new home. The first owner of a new home may receive a maintenance manual from their residential builder or their warranty provider. These manuals provide useful information on the care and maintenance of the new home. Owners who receive a maintenance manual are advised to read their manual carefully and undertake the regular maintenance recommended in it. Performing required maintenance, particularly that which is outlined in the maintenance manual and manufacturer's manuals, will help ensure your warranty coverage is not adversely affected. Owners who have not received maintenance manuals should contact their residential builder and warranty provider to find out if maintenance manuals are available and clearly understand the maintenance requirements in their warranty contract. To extend the lifetime of their homes and fulfill their obligations under their warranty contracts, homeowners are encouraged to be proactive in learning and implementing home maintenance best practices.

## Filing a Claim

The NHBPA does not define a claims handling process that must be followed by all warranty providers. However, the following steps provide a general course of action for homeowners who discover a defect after taking possession of their new home:

1. Take any steps necessary to mitigate the damages caused by the defect.
2. Consult the home warranty insurance policy to find the commencement date of the coverage, which will enable the status of the coverage to be determined.
3. If you wish to make a claim under your home warranty insurance policy, contact your warranty provider to initiate the claims process.
4. Your warranty provider may have your builder contact you to discuss the defect.
5. It is advisable that you always contact your warranty provider and seek direction regarding any defects and steps you should take.
6. Note that contacting your home builder directly to discuss defects does not initiate a claim under your home warranty insurance. If you choose to contact your builder first, you should be mindful of the expiry date of your home warranty insurance coverage.

Before contacting the warranty provider, consult the home warranty insurance policy and any other documentation provided by the warranty provider in order to understand the specific requirements of that warranty provider's claims process.

## Owner's Obligation to Mitigate Damages

Under the Home Warranty Insurance Regulation of the *Insurance Act*, homeowners have obligations such as following recommended maintenance procedures and taking reasonable action to prevent further damage in the event of an issue with their new home. In most instances, it is advisable to send a written notice of any issues to the builder and warranty provider. In the event of an issue that requires immediate attention, such as a water leak or electrical hazard, a phone call to the builder or warranty provider may be required. Calls should be quickly followed by a written notice. Failure to do so in a timely fashion may affect the homeowner's right to make any claim. Photographs of the occurrence should be taken before and during any repairs to serve as a visual record for warranty purposes.

The homeowner is obligated to take reasonable action, such as turning off the water or shutting off the breaker, to mitigate or lessen any damages. It is also the homeowner's obligation to allow timely access to the home, upon receiving reasonable advance notice, for the builder or warranty provider to investigate any claims and/or undertake any repairs. These obligations extend to include any periods when the home is unoccupied or occupied by someone other than the owner. Failure to take appropriate action to mitigate or lessen any damages may result in both the initial issue and any resulting damages being excluded from warranty coverage.

An owner's duty to maintain and mitigate survives even if the new home is unoccupied, occupied by someone other than the owner, or for sale.

## Role of the Warranty Provider

A warranty provider's primary responsibilities under a contract of warranty begin on commencement of warranty coverage. Each warranty provider will have its own specific procedures and requirements for handling of claims, and homeowners should familiarize themselves with the obligations of their warranty provider as laid out in their home warranty insurance policy.

The NHBPA does not explicitly define a claims handling process that must be followed by all warranty providers. However, there are certain general expectations homeowners can have regarding the services provided by their warranty provider:

- On receiving notice of a claim, a warranty provider should promptly make reasonable attempts to contact the homeowner to arrange an evaluation of the claim.
- The warranty provider should make reasonable efforts to avoid delays in responding to a claim, evaluating the claim, and scheduling any required repairs.
- If, on evaluation of a claim, the warranty provider determines that the claim is not valid or not covered, the warranty provider should notify the homeowner of that decision in writing, along with the reasons for the decision.
- Repairs should be undertaken in a timely manner, with reasonable consideration given to weather conditions and the availability of materials and labour.
- All repairs and replacements made under a home warranty contract must be completed in a reasonable manner using materials and labour conforming to the *Alberta Building Code* and industry standards.

Please note that these are guidelines only. Homeowners should carefully read their home warranty insurance policy to understand the obligations of their warranty provider, as well as to comply with all notices and other provisions it contains.

Warranty providers often have contracts with their residential builder clients that, for a specific period of time, obligate the builder to correct defects that are deemed to be covered by home warranty insurance. The decision on who will correct defects, whether the original builder or another contractor, is made by the warranty provider.

## Access to Inspect and Repair

Owners are required to provide their warranty provider and/or any of their agents, including builders, with access to their home to investigate claims or conduct repairs at all reasonable times, provided they are given reasonable advance notice. Failure to provide this access could result in the denial of the claim.

## Definitions

### **Abuse**

To use something improperly to the extent that damage or excessive wear becomes apparent. Abuse can be unintentional, occasional or attributed to a seemingly innocent action.

### **Act**

The *New Home Buyer Protection Act*.

### **Act of Nature**

An act which occurs exclusively by the forces of nature, uncontrolled and uninfluenced by human intervention and which is of such a character that it could not have been prevented or escaped from by any amount of foresight or prudence. For example: a snowstorm or tornado.

### **Builder**

A person who engages in, arranges for or manages all or substantially all of the construction or reconstruction of a new home, or agrees to do any of those things, and includes a general contractor.

### **Building Code**

The *Alberta Building Code* in effect at the date the building permit was issued for the *home*.

### **Building Envelope**

The collection of components that separate conditioned space from unconditioned space, exterior air or the ground, or that separate conditioned spaces intended to be conditioned to temperatures differing by more than 10°C at design conditions.

### **CEC**

The *Canadian Electrical Code*.

### **Claim**

Written notice given by an owner to their warranty provider and residential builder that provides reasonable detail about defects that the owner believes are covered by the policy of home warranty insurance.

### **Consequential Damage**

Damage to the building materials or components of the home resulting from failure of a related or adjacent component.

### **Contiguous Areas**

Areas that are touching.

### **Contract /Contractual**

An agreement between two parties that is enforceable by law.

### **Cosmetic**

Serving (primarily) an aesthetic or appearance function.

**Crazing**

The development of a network of random cracks or fissures on the surface of concrete, mortar or solid surfaces caused by shrinkage of the surface layer or by hot water expansion and contraction.

**CSA**

The Canadian Standards Association.

**Defect**

Any design, construction or material used in the construction of a new home that is discovered after the commencement of coverage under a home warranty insurance contract and

- is contrary to the building code,
- requires repair or replacement due to the negligence of an owner builder or a residential builder or person for whom the owner builder or residential builder is by law responsible,
- constitutes an unreasonable health or safety risk, or
- has resulted in material damage to the new home.

**Defects in the Building Envelope**

Defects that result in the failure of the building envelope to perform its intended function.

**Delivery and Distribution Systems**

Includes electrical, gas, plumbing, heating, ventilation and air-conditioning systems to which the *Safety Codes Act* applies and any other systems prescribed as delivery and distribution systems. Also includes private sewage disposal systems that serve a single property, are designed to receive not more than 25 cubic meters of sewage each day, and are designed to dispose of sewage either on the property that the system serves or in a holding tank. Appliances and fixtures attached to a delivery and distribution system are excluded from the definition of delivery and distribution system.

**Developer**

One who prepares raw land for construction and then sells serviced lots to a builder.

**Dimensional Wood/Lumber**

Wood milled with varying width, thickness and length.

**Driveway**

A surface intended and constructed primarily to be used for vehicular access to or from a new home.

**Exterior Cladding**

All exterior wall coverings, including siding and above-grade masonry (for example, concrete, bricks, or stone) as required and detailed in the relevant sections of the building code under which the building permit was issued; exterior cladding is considered part of the building envelope.

**Finish**

The exposed, relatively thin (usually), cosmetic or protective layer; as opposed to the supporting substrate material.

**Guide**

The Government of Alberta's *Construction Performance Guide for New Home Warranty in Alberta*.

**Homeowner**

The registered legal owner of the home.

**Homeowner Maintenance**

Work which is done regularly to keep a home and its equipment in good condition and working order. New homes require maintenance. Homeowners need to familiarize themselves with mechanical systems, utilities, and routines involved in the maintenance of the home. Damage caused by improper homeowner maintenance is not considered a defect.

**Homeowner Responsibility**

An action required of the homeowner.

**Home Warranty Insurance / Home Warranty Insurance**

A contract of insurance issued by a warranty provider covering defects in the construction of a new home and consequential losses or costs incurred by the owner.

**Humidity**

The amount of water vapour within the air expressed as a percentage of the amount of water the air can hold at one atmosphere pressure and at a given temperature.

**Improper Maintenance**

Maintenance that is not in keeping with maintenance requirements, recommended procedures, or best practices.

**Load Bearing**

The support system of the home capable of transmitting live and dead loads to the supporting ground as determined from the plans and specifications of the home, and includes only the footings, piles, foundation walls, grade beams, teleposts, load-bearing walls, beams, floor systems and roof trusses.

**Manufactured Home**

A home that is constructed as an individual pre-assembled unit intended for delivery to a residential site, or from a number of pre-assembled units that are intended for delivery to and assembly at a residential site.

**Manufacturer's Warranty**

Guarantee made by the fabricator or assembler of a product regarding the performance, quality, and reliability of that product.

### **Measurement and Dimensions**

In many entries in this guide, a value has been attached to quantify the magnitude of the defect in an attempt to reduce subjective assessment. The imperial number is the value that should be used in all instances. The metric number (in parenthesis) is an approximation only for the convenience of those who may be more familiar with that measuring system. Tape measures are commonly available in either system but micrometers or Vernier calipers for smaller measurements are usually not found around the home. For the purposes cited in this guide, smaller measurements may be approximated by considering the thickness of a typical business card:

- 1 business card | 0.25 mm
- 2 business cards | 0.5 mm
- 3 business cards | 0.75 mm
- 4 business cards | 1.0 mm

### **Mitigation of Damages**

The responsibility of a homeowner to stop or reduce damages affecting the home by acting both responsibly and in a timely manner (especially those involving water or utilities).

### **Multi-Family Dwelling**

A building containing 2 or more dwelling units.

### **Municipality**

An incorporated city, county, metropolitan authority, town, village, township, district or rural municipality or other incorporated municipal body having corporate status and powers of self-government.

### **Naturally**

As would be expected through inherent nature.

### **New Home**

A building, or a portion of a building, that is newly constructed or that is being constructed and is intended for residential occupancy and in respect of which the purchase period has not expired, and includes:

- a self-contained dwelling unit that is detached, attached to one or more other self-contained dwelling units, or includes a secondary suite,
- common property, common facilities and other assets of a condominium corporation,
- any building or portion of a building that is of a class prescribed as a class of new home to which this Act applies,
- a building that is intended for residential occupancy and that is a reconstruction, and
- a manufactured home,

but does not include a hotel, motel, dormitory, care facility, relocatable work camp, or any building exempted by the regulations from the definition of new home.

**NHBPO**

The New Home Buyer Protection Office.

**Normal**

Something exhibiting typical, usual, or conventional construction, design or operation.

**Normal Lighting**

Normal lighting is light sourced from the sun or by the fixtures as installed by the Builder. The use of additional light sources; flood lights, flash lights and flashes to enhance an irregularity is not considered normal. Normal lighting is not associated with a particular time of day.

**Normal Viewing Position**

Typical or usual viewing conditions, that is:

- Flooring is viewed from a standing position;
- Interior finishes are viewed from 5 feet (1.5 m) at 90° or such other parameter as specified in this guide.
- Exterior finishes are viewed from 20 feet (6 m) or such other parameters as specified in this guide.

**Normal Wear and Tear**

Physical deterioration arising from age and normal use.

**Patina**

The change in an object's surface appearance resulting from natural aging due to normal wear and tear and oxidation.

**Private Sewage Disposal System**

A plant for the treatment and disposal of sewage, including a septic tank and absorption field, that is not connected to a municipal sewage disposal system and is installed during the construction of a new home.

**Properly Painted Surface**

A painted surface that is uniform in appearance, color, and sheen and is free of foreign material, lumps, skins, runs, sags, misses, strike-through, or insufficient coverage. It is a surface which is free of drips, splatters, spills or overspray which were caused by the contractor's workforce.

Compliance to meeting the criteria of a "properly painted surface" shall be determined when viewed without magnification at a distance of five feet or more under normal lighting conditions and from a normal viewing position, (no less than a 45 degree angle to the wall surface).

**Readily Apparent**

To display a certain condition without repositioning, adjusting, or tuning the senses of the observer; under normal lighting and from a normal viewing position.

**Readily Audible**

To hear a sound clearly in a normal use condition.

**Readily Visible**

To see a detail clearly from a normal lighting and normal viewing position.

**Reconstruction**

A building where, after a change, alteration or repair to the building, at least 75% of the enclosed square footage of the building above the foundation at the completion of the change, alteration or repair is new. A change, addition, alteration or repair to a building's surfaces, fixtures or decorations is not a reconstruction for the purposes of the NHBPA.

**Rectify**

To make right or correct (i.e., resolve a defect) by either repair or replacement.

**Repair**

To recondition, mend or put back in working order. The chosen repair method will bring the variance to within the acceptable performance condition as specified in the guide.

**Replace**

To substitute or put in the place of another with an equivalent item.

**Smooth**

An even surface that is free from bumps, projections, foreign material, etc.

**Specified Plane**

An invisible, straight, line between two points on the surface of a wall, ceiling or floor which defines the intended flat surface.

**Structural Defect**

Any defect in materials, labour and design that results in the failure of a load-bearing part of the new home, and any defect that causes structural damage that materially and adversely affects the use of the new home for residential occupancy.

**Substrate**

The surface, or medium, that serves as a base for the next layer of finish (protective or cosmetic surface).

**Surface Water Management**

A process of establishing and maintaining grades and systems for the control of surface water.

**Uniform**

Having similar form, colour, texture or attributes throughout a defined area.

**Walkway**

With respect to defects discussed in this guide, the walkway is the builder-constructed surface that serves as the primary pedestrian access to the front of the new home and may include stairs; the walkway may connect the home to the driveway or connect the home to public property.

**Water Test**

The test performed to confirm water leaks, both above and below grade.

## How to Use the Performance Guidelines

The performance guidelines provide easy-to-understand explanations of the most frequently encountered defects and required responses. This information serves as a reference only, and does not supersede any aspect of the *New Home Buyer Protection Act* or the *Alberta Building Code*, which shall have precedence in all instances.

The performance guidelines set out defect information in the following format:

