

Manitoba's New Home Warranty Legislation

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Presentation to the
Manitoba Building Officials Association
April 27, 2016






Purpose of the Act

- The purpose of the *New Home Warranty Act* is to ensure that buyers of new homes in Manitoba will be protected by a home warranty covering construction-related defects.

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Two Models

- Two existing models were considered:
 - Ontario's single legislated warranty provider model (Tarion)
 - British Columbia and Alberta's market-based model

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Interested Warranty Providers

- Blanket Home Warranty Ltd.
- National Home Warranty Group Inc.
- Progressive Home Warranty Inc.
- Travelers Insurance Company of Canada
- Manitoba New Home Warranty Program


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Warranty Coverage

- 1 Year
 - defects in materials, labour and design
- 2 Years
 - violations of the Manitoba Building Code
 - defects that render the new home unfit to live in
 - defects in electrical, plumbing, heating, ventilation and air conditioning delivery and distribution systems
 - defects in the building envelope, exterior cladding, caulking, windows, doors, including those resulting in water penetration
- 7 Years
 - structural defects

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Included Homes

- Single family homes
- Duplexes, triplexes, etc.
- Townhomes
- Housing cooperatives
- Condominiums
- Recreational homes (cottages)
- Conversions to residential homes
- Manufactured homes*

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Excluded Homes

- Hotels
- Dormitories
- Camps
- Rental apartment buildings
- Hospitals, personal care homes
- Homes built by Habitat for Humanity
- Homes built by Hutterite colonies, on colony land
- Mobile homes*


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Manufactured Homes

“manufactured home” means a new home, other than a mobile home, that is constructed from one or more pre-assembled units that are, or are intended to be, delivered to and installed at a residential site.

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Mobile Homes


“mobile home” means a portable dwelling unit that

- (a) is capable of being transported on its own chassis and running gear by towing or other means, or
- (b) is placed on the chassis or body of a motor vehicle, or
- (c) forms part of a motor vehicle,

and is designated to be used as living quarters or as accommodation for travel, recreation or vacation purposes.

The Buildings and Mobile Homes Act

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Requirements for Home Builders

5 A person, other than an owner-builder or an exempt home builder, must not build a new home unless

- (a) the person is registered as a home builder under section 15; and
- (b) a warranty provider has committed to provide a home warranty for the home.

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Requirements for Permit Issuers

7(1) An authority having jurisdiction to issue building permits must not issue a building permit for a proposed new home unless the applicant provides evidence, in the prescribed form,

- (a) that the home will be built by a registered home builder, an authorized owner-builder or an exempt home builder; and
- (b) that a warranty provider has committed to provide a home warranty for the home, unless the home will be built by an authorized owner-builder or an exempt home builder.


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Home Builders

- Home builders will need to:
 - sign up with a registered warranty provider to ensure that their homes are provided with a home warranty.
 - register themselves with Province.
- Permit issuers will need to:
 - see proof of these two requirements before issuing a building permit for a new home


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Owner Builders

- A person may build their own home without being registered or arranging for home warranty, subject to certain restrictions:
 - They will need to apply for and obtain authorization from the Registrar.
 - The home may be sold, but only if a home warranty is offered to subsequent buyer.
 - The Registrar has authority to file a notice on title.

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Proof for Owner Builders

LAWRENCE DEL. MANITOBA REGISTRY NW - R.M. 103033

Form 3

Authorized Owner-Builder Certificate

(Over Shows Trustee Act)

Not to be used by:
 1. Persons of unsound mind
 2. Persons under legal disability
 3. Persons who are not of legal age
 4. Persons who are not of legal capacity
 5. Persons who are not of legal age
 6. Persons who are not of legal capacity

Name of Owner-Builder _____

Address of New Residence for Construction _____

Name of other owner-builder _____

Date of this certificate _____

Type of New Project _____

This certificate is issued by the Registrar of the New Owner-Builder under the New Owner-Builder Act and is subject to the provisions of the Act and the regulations made thereunder. It is not to be used for any other purpose and is not to be used for any other purpose.

Issued at Winnipeg, Manitoba, this _____ day of _____, 20____.

Registrar _____

Street Name	Street Type	Street Direction	Municipality																																										
Select (N)	Select (S)	Select (E)	Select (W)																																										
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Number</th> <th>Status</th> <th>Builder</th> <th>City</th> <th>Chcvt. Address</th> <th>City</th> <th>Legal</th> </tr> </thead> <tbody> <tr> <td>LD17160</td> <td>Completed</td> <td>Boat Manufacturing</td> <td>Unit R14-0233</td> <td></td> <td></td> <td>ONE, S2 TAGL, S6, J</td> </tr> <tr> <td>LD33395</td> <td>Approved</td> <td>Owner-Built</td> <td>Unit 1,</td> <td></td> <td></td> <td>ONE, S3 TAGL, RT, J</td> </tr> <tr> <td>UD30332</td> <td>Approved</td> <td>Payroll Office</td> <td>2550 W. Via Asset</td> <td></td> <td></td> <td>ONE, S2 P14233</td> </tr> <tr> <td>UD48829</td> <td>Approved</td> <td>Taxing Offices</td> <td>Unit 3112, 47 - 1/4 Avenue 79N</td> <td></td> <td></td> <td>ONE, S2 2550 W. Via Asset P14233</td> </tr> <tr> <td>UD50173</td> <td>Completed</td> <td>AI Plus Building</td> <td>Unit R14-042</td> <td></td> <td></td> <td>ONE, S3 TAGL, S2, J</td> </tr> </tbody> </table>				Number	Status	Builder	City	Chcvt. Address	City	Legal	LD17160	Completed	Boat Manufacturing	Unit R14-0233			ONE, S2 TAGL, S6, J	LD33395	Approved	Owner-Built	Unit 1,			ONE, S3 TAGL, RT, J	UD30332	Approved	Payroll Office	2550 W. Via Asset			ONE, S2 P14233	UD48829	Approved	Taxing Offices	Unit 3112, 47 - 1/4 Avenue 79N			ONE, S2 2550 W. Via Asset P14233	UD50173	Completed	AI Plus Building	Unit R14-042			ONE, S3 TAGL, S2, J
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Rental Apartment Builders

- A person may build a rental-purpose apartment building without being registered or arranging for home warranty, subject to certain restrictions:
 - They will need to apply for and obtain authorization from the Registrar.
 - The building may be sold, but there will be restrictions on the sale of individual units, unless home warranty is offered.
 - The Registrar has authority to file a notice on title.

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Liability Protection


Liability protection

7(3) If an authority having jurisdiction issues a building permit for a proposed new home, relying in good faith on the evidence provided under subsection (1), the authority is not liable, either directly or vicariously, for any damages or other loss, including economic loss, sustained by any person because the new home is not covered by a home warranty or because the home builder is not registered, authorized or exempt.


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Construction Performance Guide



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Questions?

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