## WARRANTY SCENE

#### December 2019

### CHANGES TO OUR UNIT ENROLLMENT:

In January of 2020, Atlantic Home Warranty will introduce two new fields to our Unit Enrollment: "Square Footage" and "Approximate Value". Please take these additions into consideration when you are preparing to complete a new enrollment.

As always, remember to enroll every home that you build. Please don't forget to get your Certificates of Possession signed by your homeowners and returned to our office. Warranty coverage does not begin until the COP is processed.



By Pinehurst Homes—2019 Customer Choice Winner



The Board of Directors at Atlantic Home Warranty (AHW) would like to announce the appointment of lan Lezama to the position of Chief Executive Officer. He is responsible for running all facets of the Warranty business. Ian is a senior executive with over 20 years progressive experience in sales, marketing and business management.

Prior to joining AHW, Ian was COO for Edgecombes Marketing & Promotions Inc., responsible for national sales,

marketing and operational activities. Previously, he headed the Sales and Marketing team at Shannex, for seven years.

lan also lead the Marketing team at EastLink for ten years and was responsible for rolling out telecommunication services in Atlantic Canada and recognized as the architect for leading the industry by introducing residential and business service bundle that drove the business and redefined the playing field.

Throughout his career, lan's values have been based in collaboration, transparency and personal fulfillment--in service to his employees, stakeholders and to the customer. His colleagues and staff describe him as having the passion to motivate others and build great teams.

Please join us in giving Ian Lezama a warm welcome to the Atlantic Home Warranty team.



## Atlantic Home Warranty Would like to Extend a Warm Welcome to Our New Builders

#### Nova Scotia

- Parker Estates
- Barkman Builders
- Luxury Tiny Homes
- Earth Energy Contracting Inc.
- Keeping Construction

- Citadel Homes Inc.
- Bylin Construction
- Antorica Ltd.
- Little Foot Properties Ltd.
- Built by Bergman Ltd.

#### New Brunswick

• R J Perry Homes Inc.

#### Prince Edward Island

- Whitestone Construction (101929 PEI Inc.)
- Carpenter-Vail Homes, MC Builders Inc.
- Ninaber Construction Ltd.

Weatherskin NL Inc. Gavin Homes Inc.

Husky Builders

Classic Builders

- D and L Contracting
- Paramount Construction (PEI) Ltd.

#### Newfoundland

- Coveyduck Construction Services Ltd.
- Spruce Ridge Properties Ltd.
- Sable Building & Design Ltd.

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Home by A.W. Allan & Son - 2019 Customer Choice Winner

#### **NEWFOUNDLAND CUSTOMER CHOICE WINNERS! 2019**

**Category: 9 Homes or Less** 



**Terry Walsh Contracting** 

Featured in Picture above:

Terry Walsh

Score:100%

Category: 10 Homes or More



#### **Cardinal Homes Limited**

Featured in Picture Above: Ian Lezama (CEO AHW),
Sheri Head (Cardinal Homes) and
Vic Rowe (Tech. Mngr. AHW)

Score: 100%

#### The Benefits of Membership with Atlantic Home Warranty

- Continuous service for over 40 years
- Financial Stability. Member Funded.
- Best 7 and 10 year Warranty Coverage in Atlantic Canada
- Recognized by CMHC and other Lending Institutions in Atlantic Canada for high ratio
   Financing.

- ♦ Non-profit organization
- We reinvest in Continuing Education and provide training that promotes loss prevention
- Our membership and Training identifies your company as an industry leader
- We promote our members on our website and provide customer feedback

#### **Most Common Warranty Callbacks**

Over the years AHW has provided the membership with several charts of the most common warranty callbacks that the staff receives from homeowners. It is time to update this list once again. It should be noted that some items still remain on this list but there are also some newcomers.

#### The most common callbacks within the first year of the Warranty:

#### Issues in relation with After Sales Service/ Consumer Expectations/ Incomplete work

<u>Problem:</u> The homeowners are not satisfied with the level of service that they receive from the builder or there is a misunderstanding in what are the builder's remaining responsibilities.

<u>Recommendation:</u> Use clear communication. Education of the consumers to understand what they can expect from a builder is a key to maintaining a healthy working relationship between homeowners and builders.

#### **Drywall Defects**

Problem: Defects in wall and ceiling finish including nail pops, shrinkage cracks or visible drywall joints.

Recommendation: We all know they happen. The best way to limit drywall issues is to ensure for proper installation to the lumber with adequate moisture content (less than 19%). Furthermore, the education of your homeowners on how to manage indoor humidity and how to properly operate their mechanical systems will limit callbacks and disputes.

#### Truss uplift

<u>Problem:</u> Cracking or separation at the wall/ceiling intersection due to movement of the truss' bottom cord during the heating season.

<u>Recommendation:</u> The actual uplift of the truss cannot be prevented but the negative effect to the drywall finish can be avoided with properly fastened drywall panels ("floating corners") or with a strategically attached crown molding (to the ceiling instead of wall).

#### **Flooring Defects**

<u>Problem:</u> Flooring issues (e.g. Cupping of hardwood floors or squeaks caused by movement in the floor system)

<u>Recommendation:</u> When it comes to issues related to hardwood or laminate it cannot be emphasized enough to ensure for proper indoor humidity and moisture content of both flooring product and subfloor during the installation. Ensure you or your sub-contractor follow the recommendations of the flooring manufacturer accurately. Last but not least, the education of your homeowners on how to manage indoor humidity and how to properly operate their mechanical systems will also avoid problems down the road.

#### **Roofing defects**

Problem: Asphalt shingles get blown off the roofs.

<u>Recommendation:</u> The wind in the Atlantic provinces gives roof shingles a hard fight. In case of a blow-off the Homeowners blame the builders for not installing them properly. To be on the safe side, carefully make sure to install shingles as per manufacturer's specifications. Special installation methods and shingles are recommended for roof shingles used in areas prone for high-wind.

#### **Most Common Warranty Callbacks (Continued)**

#### The most common callbacks in year 2-7 of the Warranty:

#### Water penetration & structural damage due to improper Door or Window Installation.

<u>Problem:</u> Water is able to enter the building envelope around windows and doors causing rot to the adjacent structure.

<u>Recommendation:</u> Do not use sheathing tape in lieu of designated flashing tape. Install a sill pan flashing. Provide for sub-sill drainage.

#### Water penetration & structural damage due to improper deck attachment.

<u>Problem:</u> No or improper flashing techniques cause water ingress where the deck ledger board is attached to the house.

Recommendation: If attaching a deck to the house, one of these 2 methods should be applied:

- Install a head flashing on top of the ledger board and lap it up and behind the home's sheathing membrane, or
- Install spacers to achieve a min. 3/8" air space between deck and home and lap membrane flashing over/ under sheathing membrane where deck bolts penetrate the wall.

For more information/ sketches contact the Technical Manager in your province

#### Cracks in Foundation and related water damage.

<u>Problem:</u> Cracks in foundation walls and slabs are a common occurrence but can create a big concern for a homeowner (esp. if they allow water penetration).

<u>Recommendation:</u> Try to take steps to limit shrinkage cracking. Control the curing conditions of the concrete. Provide for a proper surface water management. Install a foundation waterproofing membrane.

#### Settlement or frost heave of decks/ steps or porches.

<u>Problem:</u> Improperly supported exterior platforms are subject to settlement and/ or frost heave.

<u>Recommendation:</u> Dig and pour your deck footings so they extend below the frost line and make sure the soil has the sufficient bearing capacity to support the deck load.

#### Water penetration at garage door header

<u>Problem:</u> Improperly flashed garage vehicle door openings cause water ingress and structural damage to the garage wall.

<u>Recommendation:</u> Ensure the metal cladding around the head jamb of the garage door is lapped up and behind the sheathing membrane. If the vertical portion of the metal cladding by mistake is installed on top of the sheathing membrane it acts as a trough and not as a flashing.

#### "An ounce of prevention is worth a pound of cure." (Benjamin Franklin)

Get up to date and book one of our training courses: https://www.ahwp.org/builders/training

Oliver Henninger—Technical Manager, Nova Scotia

# We make saving on insurance a walk in the park.



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Described coverage and benefits applicable only to policies underwritten by UAC in NL/NS/NB/PEI. Jiand UAC share common ownership. Eligibility requirements, limitations, exclusions, additional costs and/or restrictions may about. and/or vary by province/territory. \*NO PURCHASE NECESSARY. Open January 1, 2019. – April 30, 2020 to legal residents of Canada (excluding NU) who have

#### **Continuing Education News**

2020 will be a year that will bring positive change and growth, not only to Atlantic Home Warranty, but to our Continuing Education program.

With the addition of 15 new companies to our membership on Prince Edward Island, we will be holding training sessions in the new year on the island in order to accommodate those builders or any other builder who requires the National Building Code 4 day course or The Better Built House. Having recently held a National Building Code Course in both Nova Scotia and Newfoundland, we will focus on having the opportunity for builders in those provinces, as well as New Brunswick to complete the Better Built House in the Winter 2020 season.

We are exploring new innovation and technologies to bring our Continuing Education courses in to your offices, streaming on cell phone or by self-study on your home or office computers. Education, especially in the industry of home building and renovations, an industry that is constantly changing and providing new and innovative products, is key to reducing defects, adding to the member profitability and improving the home construction industry.

We look forward to working with our members, the Atlantic Canadian Home Builder Associations and with Industry Partners to make our vision successful.

Here's to a successful 2020 for our members, stakeholders and industry partners. Stay Tuned for more exciting news!

Jenn Howard

Continuing Education Manager



Merry Christmas and Happy Holidays
From
The Board of Directors, Management
and Staff
Of Atlantic Home Warranty