



## NEWS RELEASE

**QUEEN'S PARK, TORONTO, ONTARIO – Feb. 27, 2012** -- Over the past decade, heating, ventilation and air conditioning (HVAC) construction defects, including Ontario Building Code (OBC) violations, have emerged as the largest single issue reported to Canadians for Properly Built Homes (CPBH) by Ontario's purchasers of newly built homes. Far too many Ontarians – from different parts of Ontario - are freezing in their newly built homes! Clearly this is unacceptable.

HVAC construction defects, and the lack of adequate consumer protection, have led some, including one Ontario MPP, Ted Chudleigh, to call on the McGuinty government for an Investigation. Thus far, the McGuinty government has not commissioned an Investigation. CPBH agrees with those who have called on the Government of Ontario to conduct a full, independent HVAC investigation, given the HVAC-related issues that have been reported to the Government of Ontario, the Tarion Warranty Corporation, and many Ontario municipal governments for at least the past decade. Examples of questions that should be addressed in such an Investigation include:

- Does the Tarion Warranty Corporation ensure that a builder has the ability to at least meet the OBC related to HVAC before Tarion grants it the right to build?
- Why are municipalities not catching these HVAC OBC violations during construction, and ensuring that these HVAC construction defects are fixed -- before the home is finished and sold to the consumer?
- What HVAC qualifications do municipal inspectors and Tarion inspectors have?
- How many homeowners have reported HVAC problems to Tarion in the past decade? How many homeowners have had their HVAC construction defects properly corrected through the Tarion warranty process?
- What has Tarion done in the past decade to provide progressive improvement in the quality of HVAC systems given consumers' reports of these construction defects to Tarion?
- Why does the Licence Appeal Tribunal process take years once a homeowner appeals Tarion's decision to the Licence Appeal Tribunal?
- Why does Tarion have some of its HVAC Decisions overturned at the Licence Appeal Tribunal?

Over the past eight years CPBH has taken many steps related to HVAC construction defects and the lack of adequate consumer protection, including: raising these issues with Tarion and each member of Tarion's board of directors, meeting with officials of the Ministry of Consumer Services, writing to Premier McGuinty and the Ombudsman of Ontario. Yet, these very serious HVAC problems continue.

In addition to this HVAC Investigation, CPBH is calling on Tarion to extend warranty coverage for HVAC to five years from the current two year coverage. Two years is often an insufficient length of time for consumers given the complexities typically involved with HVAC systems.

Ontarians deserve and need meaningful consumer protection on the largest purchase most of them ever make: a new home. CPBH supports this goal for Ontarians and all Canadians.



## **Canadians for Properly Built Homes: Backgrounder, February, 2012**

Canadians for Properly Built Homes (CPBH) was founded in 2004 by Karen Somerville and Alan Greenberg, a couple who faced serious problems with their newly built home in Ottawa, Ontario. In trying to solve their own home problems, they talked to many homeowners, as well as builders, home inspectors, engineers and others involved in the home construction process. They learned that there are serious problems in Canada from coast to coast. Undoubtedly, the worst housing disaster in Canadian history relates to the "BC leaky condo crisis", which continues to this day. While there are good builders, there are, unfortunately, also poor builders, and consumers currently have no objective, reliable means of knowing who the good builders are.

CPBH is a national, not for profit corporation dedicated to healthy, safe, durable, energy efficient residential housing for Canadians, and is the only organization of its kind in Canada. Working for consumer awareness and protection, CPBH is run by a volunteer Board of Directors and is supported by a volunteer Advisory Council of industry experts and other key stakeholders. CPBH's Advisors and Board members have diverse backgrounds including the following professions: architecture, engineering, home building, fire safety, real estate, home renovation, environmental medicine, industrial hygiene, insurance, law, academe, political science and business. CPBH has more than 40 volunteers in different parts of Canada and earned "partner" status with the Canadian Consumer Information Gateway (Industry Canada).

Consumers from many regions of Canada communicate with CPBH regularly, raising their issues and concerns and asking for assistance. Unfortunately, home construction defects present considerable problems for homeowners at all stages of life: from young adults barely able to scrape together their down payment for their first home through to senior citizens who are often on fixed incomes. While there are builders who will quickly and appropriately address these construction defects, there are also builders who will not. In some of these cases, warranty programs and government officials are unwilling or unable to assist the homeowners, which, unfortunately leaves the homeowners to fend for themselves. Once faced with this situation, homeowners quickly learn that there is insufficient consumer protection for the largest purchase most consumers ever make: a home.

CPBH has had a number of notable successes. For example, CPBH hears regularly from Canadian consumers that CPBH has helped them, and that its work is important and necessary. CPBH representatives have appeared on television, for instance, CTV's W-Five on multiple occasions, as well as a variety of appearances on local news broadcasts on CBC and CTV, and radio talk show programs such as Peter Warren's program from Victoria, BC, and Peter Silverman's program in Toronto, ON. Articles written by CPBH representatives have been published in national magazines such as The Canadian Home Inspector and Real Estate Marketing. Numerous newspaper articles have referenced the work of CPBH, including the Globe and Mail, the Toronto Star and the Ottawa Citizen. A number of different organizations seek the input from CPBH as government programs are developed. Also, the Office of the Ombudsman of Ontario began to monitor complaints relating to new home ownership after CPBH presented a detailed submission to the Ombudsman in March 2007. This led to the Ombudsman Ontario's report: *"Building Clarity: Investigation into how the Ministry of Government and Consumer Services represents its relationship with the Tarion Warranty Corporation to the public"*. CPBH collaborates with a comparable consumer organization in the United States: Homeowners Against Deficient Dwellings (HADD).

CPBH enjoys considerable grass roots support from across Canada from many homeowners, and potential homeowners. As well, many professionals working in the home inspection industry, the home construction industry, and government officials have expressed their support for CPBH and its work. CPBH receives no government funding, and relies on donations to cover its operating costs.