

Edmonton

Desperate owners of poorly built homes in Alberta say industry advocate let them down

New-home construction dispute litigation 'moves at a snail's pace,' lawyer says

[Andreane Williams](#) · CBC News · Posted: Jan 23, 2022 7:00 AM MT | Last Updated: January 23



Alberta homeowners Deborah Teichroeb and Adetola Wall, top and bottom left, say they hired John McKale, right, from Home Warranty Advocates but didn't get the services they paid for. (CBC)

Early one morning in February last year, Adetola Wall had had enough.

The roof of her Edmonton house was leaking again.

Wall had purchased the newly built home in 2016, but within a year she noticed moisture in the attic. It would be the beginning of a four-year losing battle with the builder and warranty provider.

In February 2021, she learned about John McKale, owner of Home Warranty Advocates, who billed himself as a crusader for owners of poorly built homes.

But Wall says that moment of hope would turn into disappointment — and when she read [a CBC News story](#) about McKale, she felt she had to respond.

"The article was ... showing that he was in a good light and helping people, and that hadn't been my experience — and I knew a few people who hadn't had that experience," Wall said.

From hope to disillusion

When Wall contacted McKale, she was desperate.

"I was pretty frantic," she said. "I literally felt like there was no hope. I had a small child, so I just really was concerned about the mould in the home affecting him."



Wall, right, contacted Home Warranty Advocates because she says she feared for her child's health. She paid the company \$2,625 after noticing moisture in the attic of her home, which she purchased in 2016 when it was new. (Submitted by Adetola Wall)

McKale agreed to advocate for her, suggesting he could get money from the builder or warranty provider so she could make the repairs herself, Wall said.

She paid Home Warranty Advocates \$2,625.

"He always said throughout the process that it was refundable," she said.



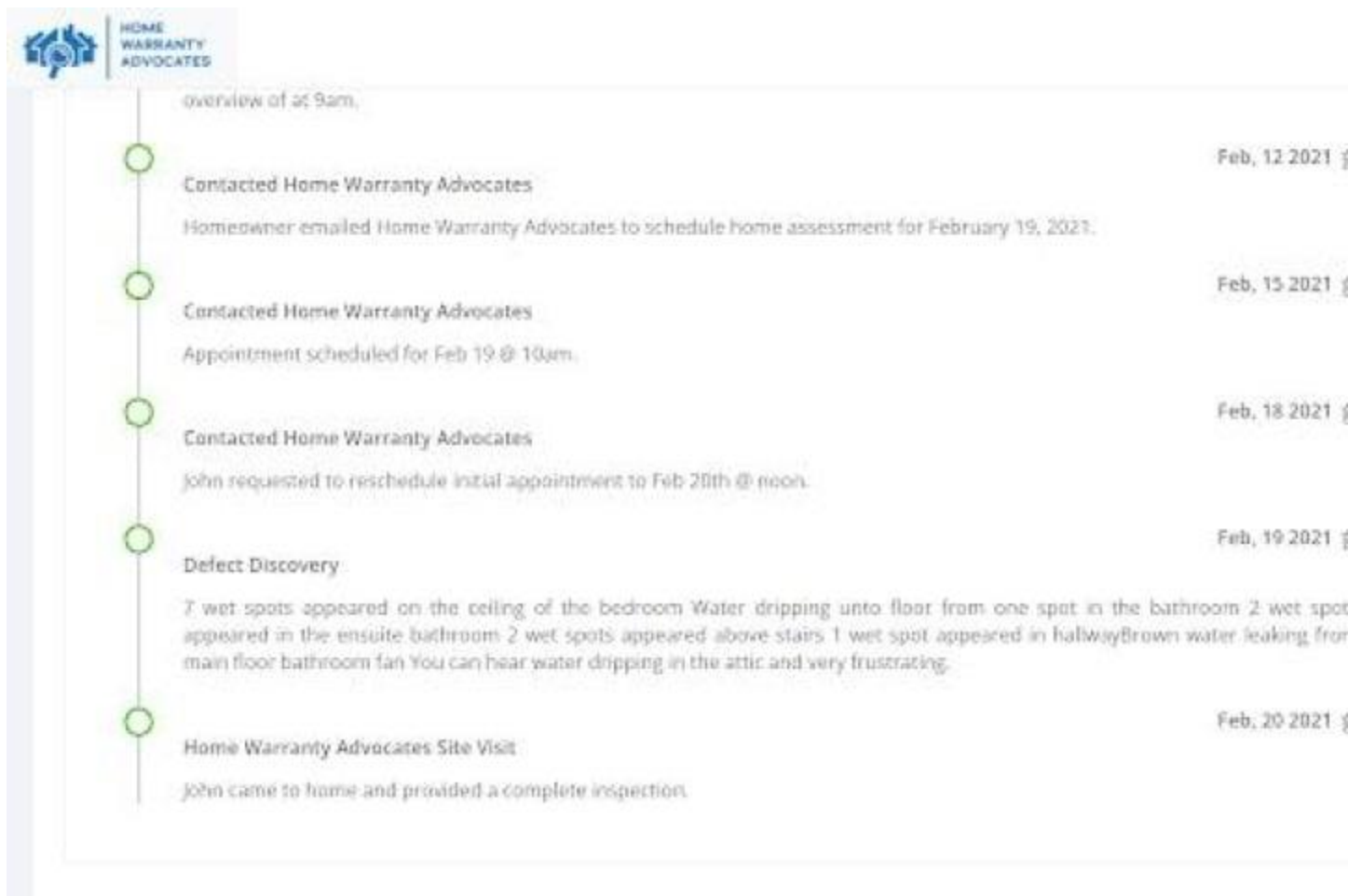
Stains on the ceiling of Wall's home. She says she fought a four-year losing battle with the builder and warranty provider before turning to McKale's company for help in getting compensation. (Adetola Wall)

But almost a year later, nothing has been done, Wall said.

The online portal created for her by Home Warranty Advocates shows no entries after an audit of her house was completed last February.

Wall says her warranty provider told her that no claim has been filed under her name by Home Warranty Advocates.

In June, she emailed the company seeking a refund but got no response.



The screenshot shows a vertical timeline for a Home Warranty Advocates profile. The timeline starts with a header 'HOME WARRANTY ADVOCATES' and a logo. The events are as follows:

- Feb, 12 2021**: overview of at 9am, Contacted Home Warranty Advocates. Homeowner emailed Home Warranty Advocates to schedule home assessment for February 19, 2021.
- Feb, 15 2021**: Contacted Home Warranty Advocates. Appointment scheduled for Feb 19 @ 10am.
- Feb, 18 2021**: Contacted Home Warranty Advocates. John requested to reschedule initial appointment to Feb 20th @ noon.
- Feb, 19 2021**: Defect Discovery. 7 wet spots appeared on the ceiling of the bedroom Water dripping unto floor from one spot in the bathroom 2 wet spots appeared in the ensuite bathroom 2 wet spots appeared above stairs 1 wet spot appeared in hallway Brown water leaking from main floor bathroom fan You can hear water dripping in the attic and very frustrating.
- Feb, 20 2021**: Home Warranty Advocates Site Visit. John came to home and provided a complete inspection.

Wall's online Home Warranty Advocates profile shows no communication after February 2021. (Adetola Wall)

In an interview with CBC News, McKale admitted his company did not provide the services Wall had paid for.

He said his company has more than 400 clients and the workload has become too heavy.

"We have way too many clients — and we have actually put a moratorium on taking clients so that we can turn around and help the ones that we do have," McKale said.

"We are still contacted daily by people all over the province who have issues with their house that they can't get resolved, and it's extremely difficult to tell those people that at this point in time, we don't have the resources to help them."

McKale said he intends to complete the contract with Wall or give her a refund.

More complaints

Several other dissatisfied clients have left reviews on the company's Google profile.

CBC News spoke to seven other homeowners who said they paid Home Warranty Advocates thousands of dollars without receiving services.

Deborah Teichroeb, who lives in Beaumont, just south of Edmonton, hired McKale in August 2020 to help her deal with some flooring issues.

"I kept saying literally, 'This is the only money I have. And I'm worried because my husband lost his job.'"



Teichroeb hired Home Warranty Advocates in August 2020 for help in dealing with flooring issues in her home. After many requests for her money back, the company reimbursed her in 2021. (Hugo Lévesque/CBC)

Teichroeb says Home Warranty Advocates left her with the impression it could get her \$80,000 from her builder within three months to compensate for the deficiencies in her house. She would then hire someone herself to make the repairs.

"He made it clear that he had never lost a case and that I would have my money back in 90 days," she said.

So Teichroeb hired McKale for \$2,625.

McKale denies having made promises to Teichroeb, but he admits that his company didn't get results.

"We didn't promise her \$80,000," he said. "We said the amount of loss given all the defects in her home added up to that. That's what we would attempt to recover under the policy so that she could get the repairs done.

"We don't make any promises for the amount. Nothing is an absolute. We should have given her a more accurate picture of how it might go."



McKale founded Home Warranty Advocates, which represents owners of poorly built homes, in 2018. He says his company has more than 400 clients and the workload has become too heavy. (Hugo Lévesque/CBC)

Seven months after hiring the company — and after having tried to follow up multiple times, Teichroeb's file still hadn't moved forward.

"We trusted him," she said. "I feel like a fool."

After many requests for her money back, Home Warranty Advocates reimbursed her in 2021.

Calgary lawyer Michael Kwiatkowski, who specializes in construction litigation, says warranty providers rarely give homeowners money to fix their houses.

"Usually [the warranty provider] will hire someone on their own," he said. "They prefer to use their preferred trades because they can get it for cheaper than the homeowner can."

This kind of litigation "moves at a snail's pace" in Alberta, Kwiatkowski said.

"I would never take someone's word over a phone or email that it can be done in a certain amount of time."

Homeowners on their own

The new home warranty system is complicated and homeowners get little help to navigate it, Kwiatkowski said.

Hiring a lawyer can cost tens of thousands of dollars, as complex claims can take months, even years.

"There is no independent ... ombudsman or a person appointed by the government to help homeowners with that sort, so they can either do it on their own or get a lawyer," he said.

"It's a flaw in the system."

Teichroeb says she filed a complaint against Home Warranty Advocates with Service Alberta's customer investigation unit.

Service Alberta said it can't comment on which businesses are being investigated.

However, Home Warranty Advocates isn't listed in its registry of businesses that faced enforcement actions.

As for Wall, she says she accepts that she will have to pay for the repairs out of pocket, saying she has been let down by Home Warranty Advocates and her warranty provider.

"This experience really impacted me with my level of trust with individuals," she said.