



Registering and Enrolling New Homes for Home Warranty Insurance Coverage

Who should read this bulletin?

Licensed Residential Builders (including developers and general contractors), property owners working with builders to construct a custom home, real estate licensees, legal professionals and home buyers.

Overview

Before construction begins on new homes, they must either be enrolled in home warranty insurance, be subject to an applicable exemption such as a rental covenant exemption, or be issued an Owner Builder Authorization. Continued enrollment is essential throughout the construction and sale of the new home. This bulletin outlines the legal requirements for home warranty insurance and the steps for obtaining home warranty insurance so that construction can begin.

Legal requirements for home warranty insurance

Under section 22(1.1) of the *Homeowner Protection Act* (the “Act”), a person must not build a new home unless it is first registered for coverage by home warranty insurance provided by a warranty provider.

A home or a multi-unit building must be registered with BC Housing and enrolled in home warranty insurance before a building permit is obtained and construction begins. Before issuing building permits, municipalities, regional districts and treaty first nations are required to obtain proof of home warranty insurance or proof of an applicable exemption (Owner Builder Authorization or purpose-built rental). The proof of enrollment or exemption is a valid New Home Registration Form, obtained from the Licensing and Consumer Services branch of BC Housing. In jurisdictions where no building permit is required, construction of a new home may not commence before a New Home Registration Form is obtained.

In addition, a new home without home warranty insurance may not be sold during or after construction, according to section 22(1.1) of the *Act*. Home buyers, real estate licensees and legal professionals involved in real estate transactions should be aware of this restriction and know where to look for information.

Regulatory Bulletins are a series of publications developed by BC Housing to provide information on the *Homeowner Protection Act*. All *Regulatory Bulletins* can be viewed at www.bchousing.org.

This bulletin and the website are for convenience only, they do not constitute legal advice. For complete details consult the *Act* and its regulations. For more information contact:

Licensing and Consumer Services
Branch of BC Housing

Phone: 604-646-7050
Toll-free: 1-800-407-7757
Fax: 604-646-7051

E: licensinginfo@bchousing.org
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Available on the BC Housing website, a searchable New Homes Registry lists all homes registered with BC Housing on or after November 19, 2007. This includes both single detached homes and multi-unit homes, including duplexes. The New Homes Registry identifies if a home or multi-family building is enrolled in home warranty insurance, and displays the name and contact number of the warranty provider and the builder. Call the Licensing and Consumer Services branch of BC Housing to verify if a home registered prior to November 19, 2007 is enrolled in a policy of home warranty insurance or if it is exempt.

Who is responsible for arranging warranty?

The *Act* does not specify who must ensure a new home or homes just that they must be registered. The following are the three most common scenarios:

1. When the residential builders own the land on which the home is being built, they or their company will be licensed with BC Housing and will register and enroll the home.
2. In custom home contracts, the general contractors are licensed and they, not the homeowners, register and enroll the home.
3. If both a developer and general contractor working for the developer are involved in a project, both must be licensed, and either licensee may be responsible for registering and enrolling the project. Sometimes warranty providers dictate who they would like to register the home.

Continuation of Coverage

Enrolling a home in home warranty insurance before building permits are obtained and construction begins is an important requirement in the process. However, it is a revocable commitment and does not constitute a policy of home warranty insurance until the home is completed and the policy has commenced. There must be continuous coverage by home warranty insurance in order for construction to legally continue through to completion and the policy to commence. De-enrollment information, as well as details about policy commencement dates, is available through the online New Homes Registry or by contacting the Licensing and Consumer Services branch at Licensinginfo@bchousing.org.

See [Regulatory Bulletin No.10: De-enrolling Homes from Home Warranty Insurance and the Homeowner Protection Act](#) for more information about what happens when a home is de-enrolled from coverage and the options to remedy a de-enrollment.



How to register and enroll a project

Registering and enrolling a project is quick and easy using BC Housing's online system. Licensed Residential Builders can log into their individual online account and order a New Home Registration Form by entering all the project information and paying the applicable fees.

To enroll new homes for home warranty insurance, Licensed Residential Builders must first complete the online New Home Registration information for each proposed single detached home and/or multi-unit building, and pay the applicable fees. Please contact the Licensing and Consumer Services branch for information on how to register a new home(s) manually if online registration is not possible. Licensed Residential Builders are responsible for providing detailed and accurate construction information, including:

- Type of home (e.g. a single family home, a duplex, or a multi-unit dwelling)
- Name of the warranty provider to which the request would be submitted
- Civic and legal addresses including the PID (Parcel Identifier)
- Property owner name and contact number
- Construction details

Once payment is made, the New Home Registration information is transferred to the residential builder's warranty provider, who assesses the enrollment request after obtaining additional required information and warranty fees from the builder. The New Home Registration Form is sealed electronically if enrollment is approved.

We encourage Licensed Residential Builders to register new homes with their warranty providers early in the construction process. The various warranty providers may have different processes and documentation requirements. To avoid unnecessary construction delays, builders should contact their warranty provider to learn registration procedures, documentation requirements and required forms to register different types of new construction.

Once enrollment is complete, the sealed New Home Registration Form serves as the residential builder's proof of licensing and home warranty insurance for the municipality or regional district to obtain a building permit for new home construction.

For a step-by-step guide to register a new home online through the Builder Portal, please see the Information Bulletin *Online Registration of New Homes – Information for Licensed Residential Builders*.