



Cardston County

July 7, 2014

To whom it may concern,

RE: Negative impacts of the New Home Warranty Program

Cardston County wishes to update you on our concerns about, and negative experiences with, the implementation of the New Home Warranty Program, and what changes we would like the AAMDC to lobby for on behalf of all its municipalities.

Since the implementation of the new program several issues have become evident that threaten our citizens ability to build their family homes with any degree of certainty with regards to timeline and cost. Residents of our municipality have directly experienced the following:

1. Lack of response from the Governments New Home Warranty personnel.
 - a. People do not answer phones, we must leave voicemails,
 - b. Calls have not been returned for over three weeks in some instances,
 - c. When calls have been returned, the NHW personnel have been unable to even send out a simple email to assist our taxpayers.
2. Inability of NHW personnel to explain how applications for exemptions for self-build homeowners will be assessed, our citizens have had to submit the mandatory, and non-refundable \$750 exemption application fee not knowing the requirements in order to have the application approved,
3. As there have been delays in simply receiving information from NHW personnel, delays in a person's ability to acquire the necessary safety code permits, as well as financing commitments from financial institutions,
4. Banks have their own requirements and some will not recognize an exemption for a self-build home,
5. The estimated cost of a new home warranty prior to the program implementation was approx. \$1700. The reality is that the cost of a warranty is closer to \$3400, and
6. The \$750 non-refundable exemption application fee is punitive and merely seeks to dissuade people from applying for an exemption. The potential costs associated with the exemption were not disclosed before the program was implemented.

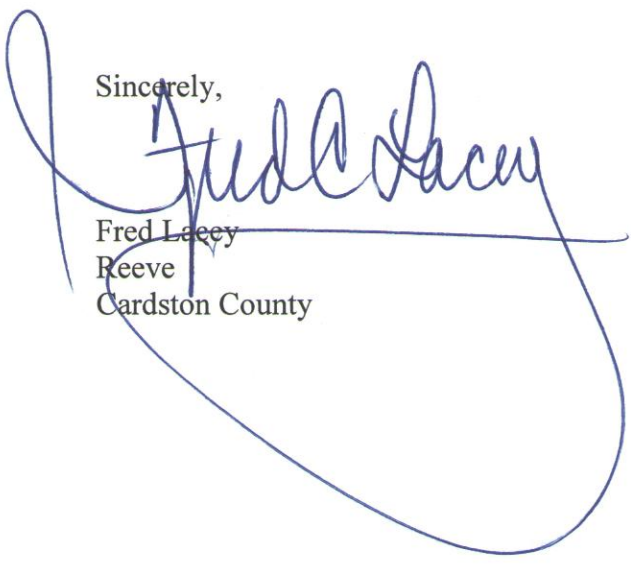
All of the above might be somewhat more palatable if homeowners were not already mandated to obtain Alberta Safety Code permits, at a significant cost, in order to ensure that their home is built according to the standards of Alberta's building code. The Province seems to be both mandating homes are built according to the established standards, but then forcing people to insure their home against the probability that proper standards were not followed.

Residents of Cardston County have expressed their utter dissatisfaction with both the mandatory nature of the New Home Warranty Program and the continuing logistical problems with the program roll-out. The extreme delays and exorbitantly unexpected costs associated with this new mandatory program have negatively impacted Cardston County Residents and we believe that any benefits the government envisioned accruing to provincial taxpayers have been grossly overshadowed by the excessively bureaucratic process, bait-and-switch cost estimates, and unwarranted delays.

Cardston County is seeking your input regarding the New Home Warranty program, its roll-out, and the associated impacts. We believe that as Municipalities we have the responsibility to speak up when our citizens are being negatively impacted by rushed Government programs, and that together, the Municipalities of AAMDC can successfully push for changes that will benefit our citizens, and encourage development, not discourage it.

Should your citizens be experiencing negative impacts arising from this program we encourage you to make this known to the leadership of AAMDC, and your local MLA.

Sincerely,



Fred Laeey
Reeve
Cardston County