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Selecting a New Home Builder

When you decide to buy a brand-new home, choosing the right builder is as important as choosing your home.

When you purchase a home, you also "buy" the company that will build it. Your satisfaction will depend on their experience, their skills and their commitment to customer service. An important part of the home buying process lies in determining that you are dealing with a builder who has these qualifications and is able to meet your needs and expectations—for the home and for the buying experience.

WHAT YOU WANT TO KNOW

There are thousands of builders in Canada, ranging from small companies building a few houses a year to large builder-developers constructing thousands of homes annually. Whether you live in a large urban area or a smaller community, you will have a number of builders to choose from. Each company may offer a different selection of homes. Some may focus on specific market segments or neighbourhoods. Others may specialize in particular types of homes or have certain distinctive expertise, such as adult lifestyle design or energy efficiency. And every company does business in its own unique way.

As you look at homes and communities, also think about the company behind them. Before choosing which one to buy from, take a close look at each builder you are considering and ask these questions:

- Who are they?
- Do they build a quality home?
- What are they like to buy from?
- What is their after-sales service like?
- What's their reputation, what do others say about them?

This fact sheet will help you get the answers you need.

WHERE DO I START?

Buying a home is a major purchase that usually takes place over a period of time. From the day you decide to buy a new home until the day you move in, the process can take a number of months, or longer, to complete.

New home buying begins with research and a lot of legwork as you look at homes and communities, and talk with builders. Before you get going, it is a good idea to do some pre-planning. This will help you to focus on the decisions ahead and prepare you for a successful house search.

Define your vision

Get everyone in your household involved in discussing what you are looking for in a new home and community. For instance:

- Type and size of home; number of bedrooms; other space requirements, e.g. garage
- Layout: open or divided spaces; flexibility for future changes
- Outdoor living areas: space and privacy
- Desired features for looks or convenience
- Special considerations, e.g. accessibility for household members with mobility restrictions

- Distance to work, shopping and medical facilities
- Public transportation
- Schools, recreational facilities, places of worship
- Green spaces

Make a list of everything that's important to you and divide it into things you must have and things you would like to have. Use the list to help you evaluate each home and community you visit. It is also a great starting point for discussions with builders because it makes it easier to tell them what you are looking for, which in turn helps them to identify the homes that best match your needs and wants.

Get mortgage pre-approval

Early on, you need to determine the price range that suits you. If you plan to finance your purchase with a mortgage loan, sit down with your lender or mortgage specialist to discuss your needs and get mortgage pre-approval. That way, you know exactly how much you can spend on your new home. If you want to be able to make regular payments to the builder during the construction of the home, talk with your lender about a construction, or draw mortgage.

Pre-approval means that your lender commits to giving you a mortgage loan up to a specified amount at certain terms and conditions, including the interest rate. This commitment will be valid for a specific period. Pre-approval doesn't lock you into the mortgage. You are still free to pursue other arrangements, including getting a mortgage loan through a builder instead. Some builders offer pre-arranged mortgages with their lenders, sometimes at advantageous rates and terms.

Begin your search

- Check the home section and ads in your newspaper to find out which companies are building in your area, the types of homes they offer and the prices you can expect to pay.
- Ask friends, family and co-workers for names of reputable builders they have dealt with.
- Call or check the website of the local Home Builders' Association for the names of builders in your area.
- Call the new home warranty provider(s) in your province for a list of registered builders, or check their website (the Ontario New Home Warranty Plan administrator lets you check the builder's warranty record at the same time).
- Home builders in British Columbia and Quebec must be licensed. In British Columbia, contact the Homeowner Protection Office (**www.hpo.bc.ca**) for a list of companies. In Quebec, contact the Régie du Bâtiment du Québec (**www.rbq.gouv.qc.ca**).
- Visit the websites of builders in your community.
- Call builders to find out where they are building, or where you can see some of their homes.
- Check the Yellow Pages™.
- Go to home shows to meet builders and to explore the latest in features and finishes.
- Visit builders' sales offices, model homes and communities.

As you go through your home search, collect as much information as you can—pamphlets, brochures, builder's packages, product literature, warranty information and so on. Read through it all and create a file of everything that interests you.

Always carry a notebook with you and write down information about the builders and the homes that you see. If you don't, it can be difficult later to remember the details of a particular home or discussion, or to recall which builder said what.

You may also want to bring a camera along. When you keep track, it is easier to remember to collect the right information from every builder you visit. It also makes it much easier to compare the companies, their products, their selling process and their reputation, when you are ready to make a decision.

Who is who in home building?

The type of builder you will be looking for depends on the area you live in, and the home you want. Here is a general overview of different types of home building companies.

Developers are responsible for getting large tracts of land ready for building. This can involve infrastructure and services (utilities, roads, sewers), community layout and design, including recreational spaces—whatever it takes to turn the land into a neighbourhood. Developers may also construct the homes, or the lots may be sold to individual home building companies.

Large building companies specialize in building homes in bigger developments. These companies generally offer a selection of homes designed specifically for the development. Minor customization by homebuyers is usually permitted, but there are usually limits to the amount of change possible. Most will also have a set process for all aspects of the purchase, from the contract signing to the pre-delivery inspection.

Medium-sized companies range from 10 to 50 homes a year, depending on your region. Medium-sized companies can be quite diverse —building in developments as well as on individual lots; constructing single-family dwellings as well as townhouses and other low-rise buildings.

Small-sized companies build under 10, and often less than five homes a year.

Custom builders build one-of-a-kind homes, each one usually designed and built for a particular customer who may or may not already own the lot. The custom-building process allows for complete flexibility, within the limits of municipal regulations and what's possible technically.

Construction contractor is another term for builder. Most commonly, it is used for companies who are contracted by purchasers to build a home on land they already own.

Manufactured housing builders construct homes in a factory and bring them to the building site as panels, modules or fully completed units. The amount of work required on-site to complete the home depends on the type and size of the building, the type of foundation and the customization required.

SELECTING A BUILDER: A PROFILE OF THE COMPANY

Home building is a complex job. It takes 16 to 30 weeks (and sometimes longer), 45 different skilled trades and thousands of components to construct an average home. It combines many disciplines, from constructing a solid, energy-efficient structure and installing state-of-the art plumbing, heating, cooling and ventilation systems to fitting the home with a wide range of products and finishes, inside and out. It requires design and planning upfront, and careful management throughout the process. Everything must be done within a context of municipal and provincial regulations, permits, inspections and approvals.

A home builder needs to deal with it all, and do it well. Here are some of the questions you can ask to find out about a builder's skills, experience and professionalism.

- How long has the company been in business?
- Are they a full-time builder, and approximately how many homes do they build annually? Be cautious if someone is a part-time builder —they may not have the same experience, up-to-date knowledge and network of suppliers and sub-trades as someone who has made a career of home building.
- What is their background and experience?
- What kind of training do key people in the company have? For instance, is the company an

R-2000 builder or does it have industry certification? In a number of provinces, there are industry-sponsored certification programs for builders.

- Is the company a member of an industry organization such as the Canadian Home Builders' Association (CHBA), l'Association provinciale des constructeurs d'habitations du Québec, l'Association de la construction du Québec, the Canadian Manufactured Housing Institute or its regional affiliates, the Manufactured Housing Association of Canada, the Canadian Construction Association or the Urban Development Institute? Membership helps companies to keep up with training and industry developments and to build business networks, and it is an indication of a company's commitment to professionalism.
- Does the company have the required licences and registrations? In British Columbia, new home builders must be licensed by the Homeowner Protection Office. In Quebec, all building contractors must be licensed by the Régie du Bâtiment du Québec. In Ontario, new home builders must be registered with the Ontario New Home Warranty Plan. Also, some municipalities require home builders and other contractors to obtain a business licence—check with your municipal office.
- Are they a member of a third-party new home warranty program? Third-party warranty is mandatory in Quebec, Ontario and British Columbia (some exceptions apply). In other provinces, it is optional, however most builders provide third-party warranty on their homes to ensure the greatest protection for their customers.
- Does the company have an established after-sales service policy, and how does it work?
- Will the company provide a list of previous clients for a reference check?
- Do they have an established network of sub-trades who work with the company on all or most of their homes, and who are they?
- Does the company focus on a particular niche market? Whether you are a first-time homebuyer or looking for an adult lifestyle community, it is reassuring to deal with a company that understands your particular needs and concerns.
- Is the company familiar with new trends in housing, such as Healthy Housing™ and FlexHousing™? (Visit **www.cmhc.ca** for details.)
- Has the company won any awards? Some organizations, such as the CHBA and new home warranty providers, have award programs for new home builders, recognizing excellence and outstanding performance in areas such as construction, design, innovation, marketing and consumer satisfaction.
- Is the company active in the community? For instance, are they involved in job entry programs? Do they sponsor local sports or youth groups or participate in fundraisers? Community involvement speaks to the company's commitment to good corporate practices and "giving back" to the people in the community.

SELECTING A BUILDER: THE QUALITY OF THE HOMES

Everyone may have a different idea about what makes a good home, but most people have a strong sense of what quality means to them. Think about the specific characteristics you equate with quality; make a list and check it against homes you visit. If you don't like the quality of a builder's homes, there is little reason to pursue discussions with the company. Go on to the next builder.

Check model homes

- Look carefully at each home you visit. Then return to those you like and look again.
- Go through the house in detail. Keep in mind that the builder created this home as a model home, so what you see represents the best quality that you can expect. Take your time in each room. Stand in every corner, sit down and look up—don't be shy. Jump on the floor to feel the

solidity of the construction. Listen to sounds that carry through the home. Notice how doors and windows fit and operate. Pull out drawers and open cabinet doors to see if they work smoothly. Check that baseboard, door and window trim is installed neatly without gaps or poor seams, and that paint and stain coverage is smooth and even. Examine the exterior with the same attention to detail.

- If you don't feel you know enough about construction, bring someone with you who does and can help you to evaluate the home.
- Consider the design and layout. Does the home make efficient use of space? Would it work for your lifestyle, could you see yourself living there or what changes would you want to make?
- Check the products used in the homes. Are they brand-name products that you are familiar with, and do they come with a manufacturer's warranty?
- Note which features are upgrades and extras to get a better sense of the basic model. It should be indicated in the model home; if not, ask the builder or salesperson to explain.
- Is the home environmentally friendly—is it energy-efficient, does it use recycled materials, as well as low-off-gassing products for better indoor air quality? For more information on these topics, visit CMHC's website at **www.cmhc.ca**

Not all builders have model homes. Instead, they may try to arrange for you to visit the home of past clients—this still gives the builder a chance to show you what the company is capable of. Being in someone else's home may temper your explorations somewhat. However, it lets you see how the home stands up to daily wear and tear, and possibly get some helpful information from the owner.

Visit a work site

Ask builders you are considering buying from if you can get a tour of a home in progress. Visiting a home under construction offers a great opportunity to see the quality inside the walls, floors and ceiling before everything gets covered up. While it may be difficult for a layperson to evaluate construction techniques, there are many obvious things to look for—straight lumber, smooth cuts, neat seams, well-installed insulation, well-sealed air barriers, and so on. Again, you may want to ask the builder if you can bring someone knowledgeable along for a second opinion. Be aware though, that builders are becoming more restrictive in their site visit practices, due to stricter legislation and growing liability concerns.

Whether the home is being built on a single site or in a large development, you can tell a lot about the builder by looking around the job site. Does it look well organized, with tools and materials stored neatly and no garbage lying around? Are workers wearing safety gear such as hard hats, boots and safety harnesses? Do they appear to be working efficiently? Are they courteous? Do they seem to have a good rapport with the builder?

If you are considering the purchase of a factory-built home, ask for a tour of the plant. Many manufacturers also have a virtual factory tour on their website.

Read the builder's information materials

A builder should be able to give you written information about the company and their homes —brochures, packages or simple information sheets. In fact, large builders often make a significant investment in glossy, colourful information packages to help them stand out among competing companies. No matter the format, look for substantive information —what do they offer, what do they tell you about the homes and, when relevant, about the community?

If not included, ask for a list of specifications, i.e. an itemized description of the materials, products and finishes that go into the homes—this should also tell you what's "behind the walls", such as insulation. Take note of the standard features that are included in the basic price of the home. Compare this to the builder's model home —if a feature is not listed as a standard, it is most likely an

upgrade or option that you will have to pay extra for.

Also check the specifications against the builders' printed renderings, or drawings, of the exterior of the home—builders often take artistic license in their marketing materials.

Check out the community

If you are considering buying in a new development, the community itself will be a factor in your decision. The developer will have created a detailed master plan covering everything from the location of each home to street design to recreational facilities. Ask for a detailed description or even better, for a personal tour of the community.

There may be a scale model or map in the sales office that can help to give you a realistic impression of the community when completed. The sales representative should also be able to give you a sense of the people who have bought in the community to date—for instance, are they young families with children or empty nesters?

It can be difficult to get a sense of a community when it is still a construction site. Ask for the location of projects that were completed in recent years and take a walk or drive through them. Look at the streetscape, the landscaping of communal areas, the layout of the roads and pathways and other features—is the community attractive? Has it stood up over time? Is this similar to what you can expect in the community you are looking at?

When you are considering a specific lot, ask about things that could affect your enjoyment of your property, such as community mailboxes next to your lot, or a bus shelter directly across the street. While it may not be an inconvenience to you, you should know about it in advance. And while you are looking at the lot, get a sense of light and sun patterns—for instance, will you get the morning sun where you want it?

Finally, the salesperson should be able to answer any questions you have about schools, hospitals, shops, traffic, public transportation and so on, that could influence your decision.

SELECTING A BUILDER: THE HOME BUYING PROCESS

Every company has its own way of doing business. Even if you really like a builder's homes, you still need to be sure that you will be comfortable buying from this company—it has often been said that the single most important key to a successful new home purchase is a good working relationship with the builder.

At some point during your house search, you need to start talking business. This can happen as you visit sales offices or model homes, or you can call builders or their salespeople, depending on the size of the company, to arrange a meeting. Think of these meetings as an interview—you are interviewing them to find out if you want to buy from them. Bear in mind, that they are interviewing you at the same time to find out whether you are able to buy from them, and what kind of customer you will be.

Talk about your new home—your vision, your needs, your desires and the price range you are considering. Let the builder know which of the company's models and floor plans appeal to you. Or alternatively, ask them to show you different models and plans that reflect your vision and fit your budget.

Ask questions

The key to getting information is to ask questions. Don't worry that you are demanding too much or that some of your questions may seem obvious to others—ask about all the things that are important to you, both about the house and about the buying process.

It is a good idea to write down your questions in advance; it helps you stay focused and ensure that you get the information you need in order to make a decision. Here are some suggestions:

- If the company offers standard plans, how much change is allowed? How flexible is the company? Will the builder modify the floor plans to your needs? Can you change some of the finishes? Add more features?
- If you are dealing with a small or custom builder, does the company have experience with the type of

home you are contemplating? Can they design a home for you, or recommend a designer or an architect?

- Will you get a written contract? (If the answer is "no", look for another builder.) Could you see a blank copy of the company's Agreement of Purchase and Sale form (i.e. the contract)?
- What are the standard features included in the basic price of the home?
- Does the builder offer a selection of standard finishing products, such as flooring and tiles, and can you have a look? Does the builder offer upgrades and options, and what do they cost?
- Does the company have someone on staff who can help you coordinate the final look of your home? Do they have a separate design centre where you can browse around and make your choices with expert assistance?
- Beyond the basic price of the home and any upgrades or extras that you choose, what other building or closing costs will the builder charge you for, if any? (This could include a second coating of asphalt on the driveway, the cost of the new home warranty, the fee for the builder's lawyer to transfer title or adjustments on utility bills, to mention a few items.)
- Are the GST/HST as well as the GST/HST New Housing Rebate included in the price quoted to you?
- Does the builder offer a mortgage? How does it compare to the financing offered by your own lender? What's involved in getting approved? What are the processing costs to you?
- What's the payment schedule? What size deposit is required, will it be placed in trust and is it insured? Does the builder require construction draws, i.e. payment at various stages during construction?
- When will the builder be able to start construction on your home? What would be the completion date?
- Will there be a pre-construction meeting to review everything before starting construction, to make sure every last detail is clearly understood?
- Will you be able to visit your home during construction? Are there any restrictions, such as number of visits or who can accompany you? What's the procedure for arranging visits?
- Will you get regular updates during construction, and will the company appoint a contact person that you can easily reach, if needed?
- What is the builder's policy on change orders? Will you be able to make changes after construction begins?
- If the builder has to make alterations to the plans or specifications for any reason during construction, will you be advised and how? A builder's contract may include a provision dealing with minor changes and modifications.
- Will your home be covered by a third-party new home warranty? (See *Warranty* in the next section.)
- What happens if construction falls behind schedule? Does the company have a clear process in place for dealing with delays, including informing you within a reasonable timeframe?
- Will the builder conduct a pre-delivery inspection of the home with you before you take possession, to verify that things are done as agreed and to identify any outstanding items to be completed? Can you bring others to this inspection, such as a family member or a professional home inspector?
- Does the company have any written information, e.g. a brochure or manual that explains the buying and construction process step by step?

Throughout the discussions, also note the following:

- How well does the builder listen?
- Are your questions answered clearly and fully?
- Does the builder seem knowledgeable and able to offer suggestions or alternatives to meet your needs and preferences?
- Are you treated with respect?

It can take several visits and a number of conversations before you have covered everything to your satisfaction and feel that you are ready to make a decision. Don't rush. Take your time and make sure that you have a good sense of each company that you may be considering—how their process works, how they would treat you, and what it would be like to buy from them.

SELECTING A BUILDER: WARRANTY AND AFTER-SALES SERVICE

You will also want to take a close look at builders' warranty and after-sales service. You need to know that your builder will stand behind the home, that the company's commitment to you goes beyond the closing day, and that you have access to recourse if anything goes wrong.

Warranty

When you are interviewing builders, find out about the warranty provided on their homes. Ask them to explain what's covered and for how long; also ask for written information that you can read through at home to become more familiar with how the warranty works, and what's included and what's not. It's important to have realistic expectations from the outset.

Builders commonly offer a one-year warranty and after-sales service on workmanship and materials in your new home. This "promise" to customers is most often backed up by a third-party warranty. As noted earlier, third-party new home warranty is mandatory in British Columbia, Ontario and Quebec; elsewhere it's optional.

While varying from one province to another, third-party warranties generally include coverage and provisions for:

- One-year warranty on workmanship and materials
- Additional warranty on the building envelope against water damage (some programs)
- Major structural defects, up to 10 years in some regions
- Deposit insurance, up to a certain maximum amount
- Completion insurance (some programs)
- Practices regarding construction delays and customer notification
- Customer inspection of the home prior to taking possession
- Dispute mediation between builders and customers
- Guidelines for construction performance, workmanship and materials (some programs)

As a homebuyer, you should think very carefully about buying from a company that doesn't offer a third-party warranty. It doesn't necessarily mean that they don't build a good home, but it does mean that you may be taking a risk. A builder's own warranty is only as good as the level of service the company decides to provide, or for as long as it stays in business. If something goes wrong, will your builder be able to deal with it? Will the company still be there? Also, will it affect your ability to get financing? Lenders may require your home purchase to be protected with a third-party warranty as a condition of giving you a mortgage loan. Fortunately it is not difficult to find builders that offer this extra protection.

To get third-party warranty on your home, you must buy a home from a builder who participates in a warranty program and who will register your home with this program. Warranty providers can tell you if a builder is a member and provide a list of companies. In provinces where third-party warranty is optional, it's a good idea to contact warranty programs for the names of professional home builders before you begin your house search.

Once you have decided on your home, you should also make sure it is registered with the warranty program—ask the builder for proof,

or contact the warranty provider. Most providers have a website with helpful information, or you can call them directly for information, or with specific questions or concerns.

Warranty coverage usually begins when you sign a Certificate of completion and/or possession, following a pre-delivery inspection just before you take possession of your home. During this inspection, anything left to do in the home should be written down and included with the certificate, down to the smallest detail on missing items or things requiring repairs. The builder is obliged to take care of all items on this list before you move in or shortly thereafter, with the exception of "seasonal holdbacks", which are items that have been delayed due to weather. For detailed information, ask the builder or call the warranty provider.

After-sales service

Ask builders to explain their after-sales service policy—what can you expect from the company once you have moved into your new home? If there are items outstanding, when will they be completed? How should you deal with warranty items that may emerge later? Who can you call if you have any questions? What if you have an emergency and need immediate help?

Knowing upfront that your builder has a well-defined after-sales service process helps to take the anxiety out of your purchase decision. While varying from one company to another, the process will typically include a number of contacts and visits to your home, as required.

- If there is any work outstanding after the pre-delivery inspection, it will be done as soon as possible before or after you take possession.
- The first service call may be 30 to 120 days after move-in. Normally, you will be asked to make a list of non-urgent items for that visit, so that everything can be dealt with at the same time.
- The second service call usually takes place around the 11th month, just before the one-year warranty on workmanship and materials expires.

Larger companies may have a separate service department; as a minimum, there should be an appointed contact person or number for service. Your builder should also outline what to do in case of emergencies, when you need immediate assistance.

There may be other aspects to the builder's after-sales service. Some companies contact homebuyers a month or so after move-in to see how they are doing in their new home, and to ask questions about the home buying experience. This is a chance for you to discuss any thoughts you may have, negative or positive, about the company and your home, and for the company to find out how it's doing and where it may need to make improvements. Other builders may stay in touch with their customers through newsletters or bulletins, providing updates on the community, seasonal homeowner advice and other information of interest.

Maintenance

Before handing the home over, most builders will give you an "orientation" tour to show you how everything works—how to operate and maintain the mechanical systems, for instance. This is usually done at the same time as the pre-delivery inspection.

Many builders will provide you with a homeowner's manual describing the various elements of your home and setting out the requirements for regular maintenance and service. This not only helps you to keep your home in great condition, it also helps to ensure that you don't void the warranty on your home. Failure to follow the builder's or manufacturer's instructions may mean that they are not responsible for any repair work needed.

Canada Mortgage and Housing Corporation has developed a *Homeowner's Manual* with practical information about homes and their upkeep, including lots of easy-to-follow instructions, illustrations and photographs. Contact CMHC for more information at 1 800 668-2642 or check **www.cmhc.ca**

SELECTING A BUILDER: WHAT OTHERS SAY

A company's reputation is an important consideration when choosing your builder—how do others see the company, what kind of experiences have they had with the company, and would they recommend that you buy from this builder?

Previous buyers

Builders should be able to give you a list of references—past customers who have bought from them within the last couple of years. Do check the references—too often homebuyers neglect this step. Don't worry about disturbing people; they have agreed to let the builder give out their names and will not mind you contacting them.

Before you call, make a list of questions you would like to ask, such as:

- In general, what was the builder like to buy from? Was it a good experience?
- What particularly did they appreciate about the company? What did they not like about it?
- Did they run into any problems, and if so, were the problems solved to their satisfaction?
- Was the home completed on time and on budget? If not, what were the circumstances?
- Were there missing or incomplete items at the time of possession, or items that had to be fixed?
- Were all of their colour selections, upgrades and extras done as requested?
- How was the company's after-sales service?
- Are they happy with their home? If not, why?
- Would they buy from the company again?
- Would they recommend the company?

You may also want to do a random check of past customers. Visit communities on a Saturday morning and talk to people who may be outside doing chores, "I'm considering buying a home from such and such builder. Can I ask you a few questions about your home and the community?" Most people are happy to talk about their experiences and offer their opinion and advice.

Warranty programs

Check with the new home warranty program(s) in your province to see if a builder you are considering is a member, and to learn about their track record—e.g. the number of claims and conciliations. Some programs provide this information online; otherwise contact them by telephone.

Better Business Bureaus

Better Business Bureaus (BBBs) can tell you if there are any complaints against a company. They don't recommend or evaluate, they simply share information that other customers have taken the time to report, good or bad. If there are complaints on file, you can also find out if they were resolved, but bear in mind that a lack of negative reports is not a guarantee. If the builder is affiliated with other companies, subsidiaries or parent companies, you may wish to inquire about complaints against those companies as well. You could also ask if the company is a member of the BBB since membership can indicate a commitment to professionalism. Call the BBB in your area, or access it through the Internet.

Local Home Builders' Associations

Many home building companies are members of the Canadian Home Builders' Association, the national organization representing the residential construction industry (**www.chba.ca**). Contact the local home builders' association in your community—they cannot make recommendations for individual companies, but they can tell you if someone is a member in good standing and provide a list of member companies. In Quebec, contact l'Association provinciale des constructeurs d'habitations du Québec (**www.apchq.com**) and/or l'Association de la construction du Québec (**www.acq.org**).

Others

While well acquainted with the builders in their community, municipal building departments are usually not in a position to make specific recommendations. You might be able to find out from sub-trades (e.g.

plumbers, electricians) what a particular builder is like to work for. However, be aware that these people may have an ongoing business relationship with a builder and may hesitate to offer opinions and recommendations.

SELECTING A BUILDER: COMPARING COMPANIES

Your choice of builder will have a big impact on your entire buying experience. It is also key to your satisfaction with your home. As you get ready to make the final decision, carefully look over all the information you have collected and compare builders to determine who offers the greatest overall value for your investment. There are a number of areas to consider:

Price

The first point of comparison is often price—how the price of one builder stacks up against those of others. Price is important, of course, but you are well advised to consider carefully what's included in the price, and what's not.

Compare standards and upgrades. The standard features offered by one builder may be an upgrade and cost extra with another company. Some builders include a wide range of features in the basic price of the home; others include far fewer features or use products of a lower quality to keep the price down.

Look closely at the bottom line. Beyond upgrades and options for your home, what other additional items will builders charge you for, if any? From utility hookups to tree planting, a builder's extra charges can add significantly to the cost of your home. When it comes to taxes, make sure you are comparing "apples to apples". Some builders include the GST/HST in the price quoted, as well as the GST/HST New Housing Rebate. Others don't, and you may need to calculate the tax as well as the rebate, when applicable, in order to compare prices effectively. To find out more about the GST/HST new housing rebate, call your local Canada Revenue Agency office or check **www.cra-arc.gc.ca**

As you are comparing prices, remember that the old adage of getting what you pay for holds true for home buying as well.

Quality construction, attention to details, the use of brand-name materials and products, and good before-and after-sales service come at a cost—it may not be wise to select a home based on its price alone.

Quality

Compare the quality of the labour and materials from one builder to another. Is the construction quality satisfactory? How does the finishing compare? Does a builder use standard products and finishes of a good quality, or do you have to upgrade many items to reach the level of quality you'd like? Are you comfortable with the brands used by a builder, are they warranted and for how long?

Also consider the quality of the "living environment" that each builder offers. Are their designs attractive, and will the layouts work well for your household? Are they paying careful attention to light, heating, cooling and ventilation —in other words, creating a healthy, comfortable place for you to live?

Warranty

Compare the builders' warranties. Do they all offer a third-party warranty on their homes? If not, you could find yourself without protection if something goes wrong before, during or after construction of your home. At the same time, not all new home warranties are the same; in provinces with several warranty providers, you may need to compare different warranty programs offered by different builders.

After-sales service

Part of the confidence of buying a home from a reputable builder comes from knowing that you can rely on the company to continue to provide service after you have moved into your new home. This could mean dealing with warranty items, responding to your concerns or just staying in touch with you to make sure you are enjoying your new home. Compare: does a builder have a clear after-sales service process that's written down, with milestone check-ups? A separate service department? A separate telephone number with a 24-hour emergency line? A clear policy on returning phone calls from homeowners? A good track record?

Personal comfort

Last but not least, you need to select a company you feel comfortable with. The "personal fit" between you and your builder, or the builder's representative, should be an important part of your decision.

You may respect a builder's credentials and appreciate the quality of their homes. You may learn that a builder is highly valued and recommended by past customers. This doesn't automatically mean that this is the right builder for you.

A satisfying home buying experience depends on open communication, a good working relationship and mutual trust. Consider what it would be like to build your home with each company and compare. Does the company's approach to the buying and building process work well for you? Will you be able to work well with the people in the company throughout it all? Does the company offer the kinds of information, assistance and reassurance that you want? Are there any restrictions that you would have difficulty with? Do you feel confident that they will deliver the home you want?

MAKING THE FINAL DECISION

Carefully compare the builders you are considering—who they are, what they offer and what they would be like to buy from. Then choose the company that offers the best overall value and quality, and gives you the greatest sense of confidence.

Once you have selected the builder, you are ready for the next step —working out the details of your new home and putting it in writing. Before you sign a contract, ask your lawyer to review it. No matter how carefully you have selected the builder, you still have to take all the necessary precautions to protect yourself and your investment. Then you can enjoy the home buying experience and look forward to the day you move into your new home.

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