

# REQUIRED READING

## FOR INFORMED ADULTS

GUARANTEE PLAN FOR NEW RESIDENTIAL BUILDINGS  
HOME + CONDO

# DO NOT SIGN ANYTHING UNLESS YOU ARE WELL INFORMED!

Home or condo<sup>1</sup> - regardless of the new residence you want to acquire, make sure you are informed about the Guarantee Plan for New Residential Buildings **before** signing a contract. And be very vigilant at every step in carrying out your project.

**Pstt!**

## **ARE YOU SELLING YOUR HOME?**

The Guarantee Plan is transferable; the new owner will therefore be covered by the guarantee for the remaining coverage period.

## **A plan that protects you**

Established in 1999<sup>2</sup> by the Gouvernement du Québec, the Guarantee Plan for New Residential Buildings guarantees certain legal and contractual obligations of your contractor. Since January 1, 2015, it has been managed by the manager authorized by the Régie du bâtiment du Québec (RBQ), Garantie de construction résidentielle (GCR).

You cannot renounce your right to this mandatory guarantee, even if you sign a document stating so.

1. For ease of reading, the common term "condo" will generally be used to mean "property held in divided co-ownership".
2. Under the Regulation respecting the guarantee plan for new residential buildings, in force since January 1, 1999. This Regulation was amended in 2006, and then in 2015, particularly to protect and inform buyers better.



## Is your residence covered by the mandatory Guarantee Plan?

The guarantee does not apply to every type of new residential building. Which ones are covered?

### BUILDINGS NOT HELD IN DIVIDED CO-OWNERSHIP

- Detached, semi-detached, and row-type single-family dwellings;
- Duplexes, triplexes, quadruplexes or quintuplexes;
- Prefabricated homes, on certain conditions. Be informed!

### BUILDINGS HELD IN DIVIDED CO-OWNERSHIP (CONDOS)

- Detached, semi-detached, and row-type single-family dwellings
- Multi-family buildings comprising no more than four private portions stacked one above the other, where the calculation of these four portions does not take into account private areas used for parking or storage.

### REMEMBER...

The mandatory plan applies strictly to entirely new buildings.

## How can you benefit?

Before you buy or build a new home, make sure the contractor you want to work with has a general contractor's licence (with licence subclass 1.1.1 or 1.1.2) and is accredited by the RBQ's authorized plan manager. This ensures that you are automatically covered by the Guarantee Plan for New Residential Buildings.

To check whether a contractor is accredited, consult the RBQ Licence holder's repertory (Registre des détenteurs de licence) ([www.rbq.gouv.qc.ca](http://www.rbq.gouv.qc.ca)). You can also contact the Guarantee Plan Manager.

### BE AWARE!

*If you want something done right, do it yourself? Not necessarily!*

If you build your own home and act as project manager without doing business with an accredited contractor, you will not be covered by the Guarantee Plan. Think carefully before doing so!





## The guarantee contract

The contractor is chosen? Next step: Your contractor must give you a signed copy of the appropriate guarantee contract for your type of residence. Once you are in possession of a copy of the duly-signed contract, you and your contractor are required to respect the obligations it contains.

This contract contains all of the details about the coverage offered by the Guarantee Plan, as well as the procedures for making a claim, and available recourses in case of a problem with your contractor. Refer to it whenever necessary; it's your best ally!

### The guarantee contract must also contain:

- Your name and address, and the contractor's name and address;
- The date and address of the location where the contract is signed by the contractor;
- The contractor's accreditation and licence numbers;
- The description of the building;
- The Manager's contact information.

## Coverage and indemnities

The Guarantee Plan for New Residential Buildings provides for coverage applicable **before** acceptance of your building, such as reimbursement of the partial payments you paid or completion of the work.

Other coverage applies **after** acceptance, such as the one-year guarantee for repairs of non-apparent poor workmanship existing at the time of acceptance, the three-year guarantee for the repair of latent defects, or the five-year guarantee for repairs to faulty design, construction or production of the work. The terms and conditions of the coverage are described in detail in the Guarantee Contract. Read it carefully, it's about your rights!

**Pstt!**

**You must give written notice to the contractor and the manager of the poor workmanship and defects discovered after the acceptance of your building *within a reasonable time after their discovery.***



### BE AWARE!

*\$300,000 maximum*

The maximum coverage amount of \$300,000 in benefits applies to **all** of the work. Thus, you cannot claim, for example, \$300,000 for completion of the work and another \$300,000 for the water supply!

### Each kind of coverage offered has a monetary limit.

- Partial payments are protected up to a maximum of \$50,000.
- The expenses incurred to relocate you and move and store your goods may be reimbursed in case of late delivery. The maximum is \$6,000.
- For a detached, semi-detached, or row-type single-family home, the amount allocated for the completion of work and the repair of defects and poor workmanship is \$300,000.
- For a multi-family building, the amount allocated for the completion of the work and the repair of defects and poor workmanship is \$200,000 per dwelling unit, without ever exceeding \$3,000,000 for the entire building in the case of a condo.
- Concerning the obligation of ensuring the water supply, in quantity as well as quality, the maximum amount allocated is \$300,000.

## Exclusions

The Guarantee Plan does not cover the following, in particular:

- Repairs to defects in the materials and equipment that you supply and install;
- Deterioration brought about by normal wear and tear;
- Parking areas or storage rooms located outside the building containing the dwelling units, and any works outside the building, such as outdoor swimming pools, landscaping, sidewalks, driveways or surface water drainage, with the exception of the descending slope of the lot, which is covered;
- Promises of a vendor concerning costs for use or energy consumption of appliances, systems or equipment included in the construction of a building;
- Legal hypothecs (claims from the persons who contributed to the construction of the building).

## A key step: the inspection before acceptance of the building

No matter what type of residence you buy, the *Regulation respecting the guarantee plan for new residential buildings* requires you to complete a pre-acceptance inspection in the company of your contractor. A conscientious inspection is the best way to protect your rights and mark the beginning of certain guarantees.

This inspection is completed using a pre-established list of elements to verify, which the contractor must provide to you. Do not hesitate to talk to your contractor and ask any questions you may have. If you are not in agreement with your contractor about the work to be completed or corrected, clearly indicate this on the checklist provided for the inspection.

If you are not sure you have the knowledge needed to verify these elements properly, you may be accompanied by an individual of your choice. It is in your best interests to be accompanied during this very important step by an experienced person or a professional competent in the field.

Once the checklist has been completed, you must sign it and keep your copy in a safe place where you can find it. Your contractor then will have to complete the work and correct any defects noted on the checklist.

Concerning the inspection before acceptance of the common portions of a building held in co-ownership, the syndicate of co-owners must deal with a building professional (architect, building technologist or building inspector).

# PROCEDURES AND REMEDIES

Do you have a problem with your contractor or with the Guarantee Plan Manager? You have remedies: mediation, arbitration, and the courts. The claim procedure is described in your guarantee contract and on the website at [www.garantie.gouv.qc.ca](http://www.garantie.gouv.qc.ca). Study this procedure and, above all, ensure **you comply with the deadlines mentioned**, or your claim could be rejected.

## For all information

[www.garantie.gouv.qc.ca](http://www.garantie.gouv.qc.ca)

On this website you will find all the necessary information to establish a healthy relationship with your contractor and, if necessary, to exercise your rights with the contractor and the Guarantee Plan Manager.

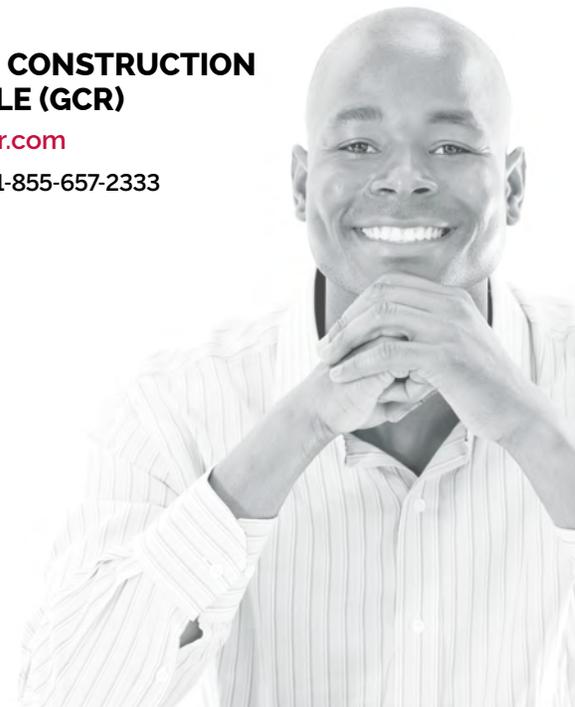
You will also find the arbitration decisions rendered, filed by subject and by contractor, the Regulation respecting the guarantee plan for new residential buildings, and the inspection checklists necessary for acceptance of your building.

## CONTACT INFORMATION FOR YOUR GUARANTEE MANAGER

### **GARANTIE DE CONSTRUCTION RÉSIDENTIELLE (GCR)**

[www.garantiegcr.com](http://www.garantiegcr.com)

T 514-657-2333 1-855-657-2333



[www.garantie.gouv.qc.ca](http://www.garantie.gouv.qc.ca)

Régie  
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Québec

