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Presentation to the Barrett Commission II:

Applied Science Technologists and Technicians of British Columbia
British Columbia Institute of Property Inspectors (BCIPI)

Peter Link, CRA, CPI, C.TECH.

Commissioner Barrett, Ladies and Gentlemen. My name is Peter Link; I am President of the British Columbia Institute of Property Inspectors, the previous speaker Uwe Neumann is our Director of Education and I will be followed Lloyd Lucas, Chair of BCIPI Certification Board and Dave Riley, Director of Research & Training.

I am a Certified Technician, Certified Property Inspector, a Real Estate Agent 9:15, a Canadian Residential Appraiser, a Construction Arbitrator / Mediator. My curriculum vitae is attached. I am pleased to have this opportunity to speak to the Commission on behalf of the BCIPI, however with my diversified background and experience I will speak to the issues that overlap with these professions, but not as a representative for the organizations.

I bring to the Commission not only the academics of construction of my learned colleagues but also my technical knowledge and hands on experience in all aspects of residential construction. This is combined with my knowledge and experience gained from marketing new and used residential dwellings since 1976.

Who Is “British Columbia Institute of Property Inspectors” (BCIPI)

BCIPI is an institute within the Applied Science Technologists and Technicians of British Columbia (ASTTBC), which is governed by the Council of ASTTBC and subject to the Applied Science Technologists and Technicians Act and Regulations.

BCIPI has established high certification standards for its members based on applied science qualification as well as demonstrated experience and competency in the field of home and property inspections. The CPI (Certified Property Inspector) and CHI (Certified Home Inspector) designations are nationally registered to ASTTBC and through the ASTT Act provides professional certification for home and property inspectors. The Act requires members to adhere to a Code of Ethics, provides disciplinary mechanisms to review breaches of the Code and uphold performance to the System Inspection Standards of BCIPI. Lloyd Lucas will expand on this process.

Our industry applies the science of construction in that the main thrust has been to inspect existing dwellings regardless of age or condition. Unlike others within the construction industry we observe and report on the condition of all the major components

as to how they have with stood the test of time. The majority of those in the industry are involved with the construction of the new units, with little or no follow-up or reporting standard after the units are complete. Dave Riley will expand further on this topic.

Issue:

Individuals who make a purchase of a residential dwelling do not buy bricks, mortar, shingles etc., they buy a dream. The life long dream of most of us is to own our home. Unfortunately this dream has been shattered for many over the past few years with the result that many potential buyer have put their dreams of home ownership on hold. Many of the presenters to the Commission have asked for action that would restore the confidence of the market place that in turn would revitalize the industry. It is not my place to suggest the amount or format of financial aid that is required, who is responsible or who should pay. The issue is the public perception of the construction industry and the uncertainty of the future with respect to buyer protection.

Observations:

1. The consumers cannot be expected to be knowledgeable about the science and construction of residential dwellings. Consumers believe there is a “full and comprehensive” inspection process and service offered by cities and municipalities leaving the impression that if a building official “signs off” a building it is 100% OK. This is not the case. In the current construction process, there is no facility for third party inspections that directly protect the end user.
2. Currently the Home Inspection Industry is not regulated. The result is, individuals advertising themselves as qualified property inspectors when in fact they are not. Examples of advertising terms used: “Fully Certified”, “Registered”, “Provincially Registered”, “Provincially Certified” and “Accredited”. Brochures and mailers contain statements such as “compliance with Local Association of Home Inspection standards”, “CMHC Approved” and “Member of National Institute of Building Inspectors”. The above can neither be supported nor confirmed by any legitimate organization within the province of BC or within the Canadian borders. These fraudulent terms used within inspection advertisements are misleading. The consumers believe they are receiving a level of service, which in fact they are not. Policing of these individuals and organizations under the current conditions is impossible.
3. Part 10 of the Home Protection Act suggests Alternate Dispute Resolution. The best time for parties to agree to a dispute resolution format is prior to the dispute. The BCIPI “Inspection Service Engagement Contract” provides a dispute resolution clause.
4. New construction is marketed by Developer’s Sales Teams that work outside the Real Estate Act. This does not provide the consumer with buyer agency protection and the seller’s preprinted sales contracts rarely provide or permit for third party inspections.

Recommendations:

1. A disclosure is required on all new construction by the individual completing the inspections; to what extent the inspection has been performed and the location of the records of inspection. Recommendation #4 of the original Commission Report should be amended to include third party site inspections.
2. The government should immediately provide regulations for the “Home Inspection Industry” that requires certification by ASTTBC for all home inspectors within the province.
3. All residential construction contracts shall provide an arbitration agreement as part of the contract.
4. All sales of newly constructed dwellings within the province are to be performed by a licensee under the BC Real Estate Act.
5. All real estate purchase contracts provide a mediation / arbitration clause and a property inspection clause. At the request of the buyer the inspection clause can be deleted at their option.
6. The “Residential Construction Council” could be expanded to include other Professional associations, such as the BC Real Estate Association, Appraisal Institute of Canada and the BC Arbitration and Mediation Institute.

Summary:

Much has been said of the new warranty programs and I concur that this is a necessary part of the equation. However buyer confidence will never be fully achieved by a warranty program alone. There are many good things occurring in the industry today however they are overshadowed by the current leaky condos.

With every crisis there is a window of opportunity. I feel that the above recommendations are simple to implement and will be met favorably by those working within the industry, but more important will provide protection and recourse for the homebuyer.

I draw your attention to Ewe Neumann’s photographs presented earlier to illustrate what has occurred in the past, is still taking place within the construction industry. Therefore more urgency is required on the recommendations made to the commission.

As a result of the first Barrett Commission a new rain screen was developed for application to new construction. On a recent inspection by Uwe Neumann, BCIPI’s Director of Education, the following photos were taken of an apartment building currently under construction in Vancouver. Photo #1 illustrates the application of the new rain screen and Photo #2 illustrates the water that was trapped behind the rain screen. The same results were found behind the new “Peel & Stick” designed to prevent water penetration around the exterior doors and windows.