

Homeowner Handbook Orientation

Greater
Atlanta
Home Builders
Association

H O M E O W N E R H A N D B O O K

FIFTH EDITION

Welcome home.

This handbook is a guide to help you
navigate the important process of
maintaining your new home.



Homeowner Handbook Purpose

- The Homeowner Handbook is a tool for builders to use with THEIR warranty program.
- The Homeowner Handbook comes with a Limited Warranty which is meant to be added to the contract.



The Homeowner Handbook is a tool that will help guide homeowners through the first year in their new home and facilitate the 1-year warranty with the builder.

Important Information

The Homeowner Handbook is **NOT** a warranty.

In addition, the Handbook is **NOT** the Greater Atlanta HBA's warranty. The Greater Atlanta HBA is not involved in your company's 1-year warranty plan.

The Homeowner Handbook is a book written and published by the Greater Atlanta HBA for builders to use to manage **THEIR** warranty program.

By no means should the Greater Atlanta HBA receive warranty calls from homeowners.

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Homeowner Handbook Objectives

Set expectations with your homeowner.

Teach your homeowner about their new home and how to properly maintain their home.

Clearly define with your homeowner the warranty procedure for their new home.

Before You Start Using the Handbook

Take the time to read the Homeowner Handbook
before you use it -
do not just hand over the handbook

It is **YOUR** responsibility to set and manage expectations.

Homeowners will create their own idea of what to expect;
therefore, **YOU** must set clear expectations FIRST.

Knowledge is Power

All staff should have an understanding of the company's warranty program.

All trade contractors should perform to the standards set by YOUR company.

On-site agents often get warranty calls after the sale is complete. These calls can be a great opportunity to enforce good customer service.

Sales agents should...

- ✓ know the warranty process and the Handbook
- ✓ know all contact information for the company
- ✓ know not to give the impression that there is a problem and the builder will definitely fix it

Residential Construction Performance Guidelines, 6th edition

The Homeowner Handbook was written based on the Residential Construction Performance Guidelines.

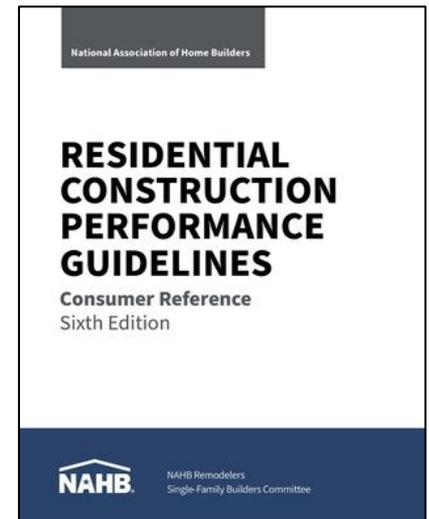
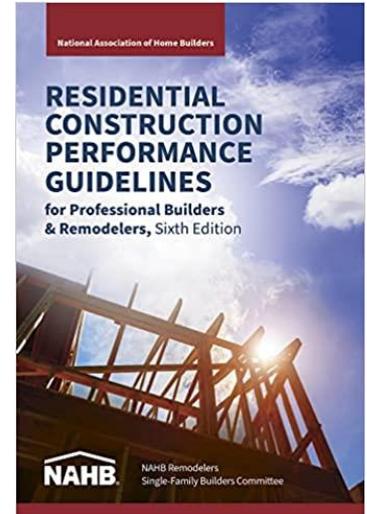
Georgia Rule 553-7-.01

(3) A licensed residential contractor that enters into a covered contract shall provide a warranty which describes, at a minimum:

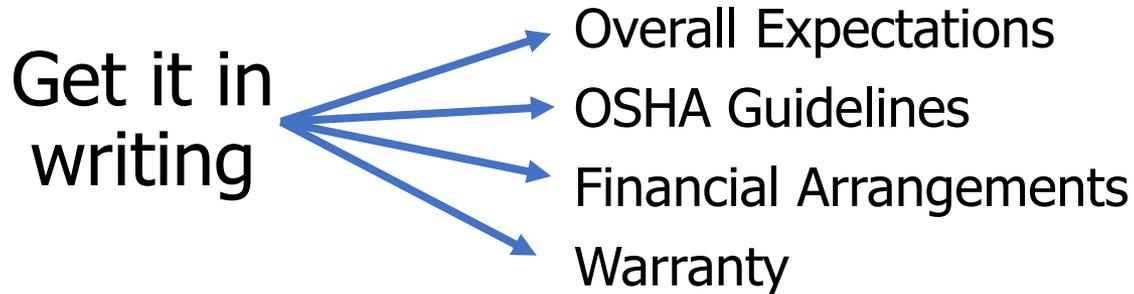
(c) Standards for evaluating work and activities, which standards shall be those set forth in the current edition of the Residential Construction Performance Guidelines as published by the National Association of Home Builders

Each chapter covers up to five parts:

1. Observation
2. Performance Guidelines
3. Remodeling Specific Guidelines
4. Corrective Measures
5. Discussion



Trades & The Partnering Guide



**Handshakes
Don't Work**

The Partnering Guide

- Increase communication between builders and trade contractors?
- Set and meet reasonable expectations?
- Save time?
- Save money?
- Protect yourself from litigation?
- Reduce warranty callbacks?



Setting Homeowner & Builder Expectations

Having written guidelines and procedures helps reinforce homeowner expectations and enhance overall satisfaction.

Give the handbook to your homeowner as soon as possible.

Document that they have received it by signing the receipt in the Handbook.

The homeowner keeps the signed page & you keep a digital copy.

Take the time to go through the handbook with your homeowner.

Clearly explain the warranty process:
Purpose • Duration • Timeline • Methods

Define your company's repair timeframe.

Emergency • Non-emergency • Courtesy
clearly define the difference between these repairs

Ensure that all company guidelines and procedures are followed consistently among all company superintendents. All homeowners should receive the same service within a neighborhood and within the company.

Other Warranties

Can the Homeowner Handbook and Limited Warranty be used with other warranties?

Homebuyers can only legally sign **ONE** limited warranty document, and if you are paying for an insured warranty, it will supersede the one with the Homeowner Handbook.

If you are using a third-party insured warranty company for your 1-year limited warranty coverage, the Homeowner Handbook can be used as a reference tool.



Use with the
Limited Warranty
document.

The handbook
lists the
COVERED items.



The Limited
Warranty lists the
EXEMPT items.

The list of exemptions is just as important, if not more important than the list of covered items. Be sure to read through the exempt items in the Limited Warranty. This is where you can potentially save time and money with unnecessary warranty items.

Construction Defects Statutes

Breach of written contract: **6 years**

Breach of an implied obligation in a written contract: **6 years**

Breach of a written warranty contract: **6 years** from notice, which must be in warranty period if the warranty so provides.

Code violations: **4 years**

Failure to construct in accordance with ordinary standards or care: **4 years**

BUILDER INFORMATION

The first 2 pages of the Handbook are for the builder to list all important contact and general information about the home for the homeowner's reference.

HOW TO USE THE HANDBOOK (page i)

TOP ITEMS LISTS (page ii)

Lists compiled and categorized of top issues sent to builders from homeowners

CONSTRUCTION & WARRANTY INFORMATION (pages iii-viii)

WARRANTY A-Z (sections 1-21)

- There are non-warranty sections included: caulking, decks, grading & drainage, insulation, landscaping, mold prevention and pest management

The fireplace in most modern homes is designed to provide atmosphere and some radiant heat but is not intended to function as a primary heat source for the home.

1 First Things First

- Wood burning fireplaces must have a grate to hold the firewood inside the fireplace. This will allow for maximum combustion and air circulation.
- Upon first use of your fireplace, the first five fires should be small and slow burning to “season” the decorative refractory walls.
 - An extremely hot, large fire in a new fireplace may cause the lining to crack.

Important Information & Safety

- **All fireplace inspections and repairs should be handled by a professional fireplace or chimney company.**
- Open the damper before you light a fire. When the fireplace is not in use, keep the damper closed to reduce air drafts.
 - If your fireplace has permanently installed gas logs, the damper may be fixed in the open position.
- If you have a gas starter without a pilot light function, use long matches or an extended lighter to ignite the gas.
 - There may be a short delay between turning on the gas valve and flame ignition. This is normal and does not indicate a malfunction.
- Safety is of the utmost importance when operating your fireplace.
 - Do not use your fireplace to burn trash.
 - Do not use explosive liquids (gas, kerosene, etc.) to start or freshen a fire.
- Store firewood outside your home to minimize insects.

Homeowner Maintenance

- Soot and creosote, a hard, tar-like substance released during wood combustion, will build up in your chimney. Creosote can ignite and cause a chimney fire.
 - Special tools and procedures are required to clean soot and creosote; consult a professional chimney cleaning company. Consider having your fireplace professionally inspected once a year.
- A spark guard should be located over the top of your chimney to trap sparks and keep wildlife out. It should be checked annually for soot buildup and cleaned as needed by a professional.
- Chimney caps and rain caps should be kept in good condition to keep moisture from entering your chimney. Have them checked periodically for rust and corrosion.

Warranty Information¹

Warranted items addressed by the builder will be corrected, at the builder’s discretion, to be within standards set forth by the State if brought to the builder’s attention within the limited warranty period of one year (12 months).*

ISSUE	HOMEOWNER CONSIDERATION	* BUILDER RESPONSIBILITY
Fireplace or chimney does not consistently draw properly.	Keep trees and debris clear of chimneys. Obstructions can cause negative drafts and/or impede sufficient airflow up the chimney.	If a negative draft is due to design or construction, builder will address.

The Issue column is an observation pulled directly from the Residential Construction Performance Guidelines, 6th ed (RCPG).

The Homeowner Consideration column provides general information about the issue. This column will state if the issue is a homeowner responsibility or not. If it is a homeowner responsibility, suggestions for addressing the issue is list here.

If the issue is a builder warranty item, the Builder Responsibility column will have a general statement (“the builder will address”).

If the issue is NOT a builder responsibility, this column will be left blank.

Walk Through & New Home Orientation

The New Home Orientation is the time for the homebuyer to learn about their new home. Be sure to use the New Home Orientation checklist in the Handbook to guide the orientation.

The initial walk through is an opportunity for you and the homebuyer to create a pre-closing punch list of minor items that have been missed in closing out construction.

Establish what constitutes as an emergency – define the difference between a builder issue emergency and an insurance company emergency

Recommend buyers become familiar with seasonal homeowner maintenance responsibilities

Bring a copy of the Handbook to ALL walk throughs & orientations.

Homeowner Maintenance is KEY



The care and maintenance of a new home is a continual process from the moment a homeowner takes ownership.

Remind your homeowner that they are responsible for the maintenance of their NEW home.

The 1-Year Warranty Process

Clearly define the warranty timeline from the beginning.

Establish that the Homeowner Handbook **must be their first step** when a problem/issue arises

Remind them to follow your company's process for submitting a warranty request

Reinforce that all warranty issues **must** be submitted correctly based on your process

Your staff should never say "It's not my department"

Your staff should never agree to pass it along

Make sure non-warranty staff are familiar with your company's warranty process.

Track warranty issues and use as a source of staff training and continuous improvement in your construction of new homes.

Timing Is Everything

Schedule your warranty meetings prior to the 1-year expiration date.
(3-month and/or 11-month)

The better customer service you offer – especially during the warranty process – the better reputation you will earn. It is good customer service to call or send a letter when the first year is almost complete to remind homeowners to send in their warranty items. A good method is to create a form for your homeowners to fill out with any issues that have come up.

Homeowners expect prompt warranty service

Timing is not always controllable, but some things are:

Acknowledgement of request

Scheduling walk throughs

Issuing work orders

Following up

Making Communication Work

Always follow up any warranty communication in writing.

Who does your homeowner call with an issue during the first year?

Can homeowners call trades?

Use a phone log

- Document in detail
- Date and sign

Be aware of communication barriers

Cultural • Generational • Gender • Geographical • Personality

Building A Home Should be FUN

- No staff member should tolerate abusive behavior
- Stay calm during the conversation
- Reassure the homeowner you want to work out a solution
- If abusive behavior continues, tactfully end the conversation – “24 hour cool down”

If a Homeowner brings up an attorney...

- Stop all communication and contact your attorney
- If contacted by homeowner’s attorney, refer immediately to your attorney and avoid communication with the homeowner

Should price justify unreasonable demands?

- Steer the conversation away from money
- No matter what the value of the home, every home you build is just as important as the one before or after it.
- Be sensitive to the fact people don’t buy their homes every day, this is a big purchase.

Saying NO Effectively

Follow up in writing when denying warranty requests.

Keep a copy of all communications in your records in case the homeowner tries to make the same request later.

Everything should be in writing and saved in the homeowner's file.

Reputation is Everything

Benefits of a good reputation

Repeat and referral business
Attracting good employees/trades
Sell at higher prices with fewer concessions

**For every 1 unpleasant customer experience,
they will tell as many as 20 other people!**

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HANDBOOK

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GREATER ATLANTA HOME BUILDERS ASSOCIATION

INDUSTRY BOOKSTORE

GAHBA Members - \$30

Non-members - \$80

www.gahba.bigcommerce.com

HBA Member Custom Information Page

This is the first page of the book.

This custom page will be printed and included in the Handbook as a part of the HBA member price.

Upon completion of the Orientation, HBA members will receive an email with instructions on how to set this page up.

Builder Information



Company	ABC Builders
Superintendent	Jim Smith
Phone	404 867 5309
Email	jimsmith@aol.com
Emergency Phone	911 911 9111
Builder Warranty	phone, email address or website