



# Why buy this home?

Protected by NHBC Buildmark

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# Your Buildmark cover - 10 years' protection

NHBC Buildmark cover is a 10 year policy included by your builder in the purchase price of your property, providing your builder has already registered the plot. It covers you against specific things that might go wrong with your new home.

It is unusual to have serious problems with a new home and we really hope it doesn't happen to you. However, if it does, you'll have the reassurance that Buildmark could cover you, subject to certain exclusions and financial limits, in the following ways\*:

## 1. Before completion

If, due to insolvency or fraud, your builder does not start or fails to finish building or converting your home, we will reimburse the deposit you have paid the builder. If the property is started but not finished, we can pay for the property to be finished in accordance with our Standards.

## 2. Builder's obligations after completion

For the first two years after your purchase, the builder will cover you against any damage and defects that result from the builder failing to meet our Standards.

Under this part of Buildmark, your builder is responsible for any repairs that are necessary. You should report any faults to the builder as soon as possible. We recommend that you do this in writing and keep a copy. If the builder fails to rectify the problem, we may offer a resolution service to help you sort out the dispute with the builder. We will also help to arrange any remedial work needed if the builder still fails to do so. And, if your builder has become insolvent, we will step in and pay for the necessary repairs.

## 3. NHBC's obligations (after the period covered by section 2)

Buildmark covers you against the cost of putting right any physical damage to the home caused by a defect in any of the following:

- foundations
- load-bearing walls
- non load-bearing partition walls
- wet-applied wall plaster
- external render and external vertical tile hanging
- load-bearing parts of the roof
- roof coverings
- ceilings
- load-bearing parts of the floors
- staircases and internal floor decking and screeds where these fail to support normal loads
- retaining walls necessary for the structural stability of the home, its garage or other permanent outbuilding
- double or triple glazing panes to external windows and doors (in converted properties they must be newly installed at the time of conversion)
- below-ground drainage for which you are responsible
- defective chimneys and flues causing a danger to the health and safety of occupants.

In addition, we will cover contamination in, on or under your land that existed at the date of completion and has resulted in the service on you of a Statutory Notice.

## 4. NHBC's obligations for breaches of Building Regulations (after the period covered by section 2)

Sometimes, your builder may have appointed us to inspect the development for compliance with Building Regulations. If this is the case then Buildmark may cover the cost of the necessary repairs if your home does not comply with certain Building Regulations. Your insurance certificate will show if this cover applies to your new home.

### What's not covered?

Buildmark does not cover general wear and tear, condensation, normal shrinkage, or damage caused by failure to maintain the property.

Also excluded, in years 3 to 10, are items such as gutters, central heating, fixtures and fittings and any damage covered by an alternative insurance policy.

**\*Please note:** This guide is only designed to give you an indication of the main benefits of Buildmark cover. Your insurance certificate and policy booklet will confirm the precise terms and conditions (including any exclusions and financial limits) that apply to the cover. If you have any queries, our Customer Services Team will be happy to help on **0844 633 1000**.

- The purpose of the Code is to ensure that Home Buyers:
  - are treated fairly;
  - know what service levels to expect;
  - are given reliable information upon which to make their decisions;
  - know how to access speedy, low-cost dispute resolution arrangements if they are dissatisfied.
- The Code applies to all Home Buyers who Reserve to buy a new or newly converted Home on or after the 1st April 2010 and which has been built by a Home Builder under the insurance protection of one of the Home Warranty Bodies.
- The Code is for complaints arising and made in writing to the Home Builder within two years from the start date of the Home Warranty cover.
- The Code does not apply to:
  - second-hand properties (for example, homes taken by Home Builders in part exchange and re-sold);
  - properties acquired by registered social landlords;
  - properties acquired by corporate bodies and partnerships and others for investment purposes;
  - properties built by self builders for their own occupation;
  - properties built under architects' certificates.
- The Code and the associated Dispute Resolution Scheme do not apply to:
  - personal injury claims;
  - loss of property value or blight;
  - claims relating to the land conveyed and its registered title;
  - claims where the amount of redress claimed exceeds the limits of the Dispute Resolution Scheme.

## **1 ADOPTING THE CODE**

### **1.1 Adopting the Code**

Home Builders must adopt the principles and good practice guidance of the Code.

### **1.2 Making the Code available**

The Home Builder must display the Code and give, without charge, a copy to customers who ask for it and to all Home Buyers who reserve a Home. The Home Builder should also inform their customers that further guidance is available and how they can get this.

### **1.3 Customer Service**

The Home Builder must have suitable systems and procedures to ensure it can reliably and accurately meet the commitments on service, procedures and information in the Code.

### **1.4 Appropriately trained customer service staff**

The Home Builder must provide suitable training to all staff who deal with Home Buyers about their responsibilities to customers and what the Code means for the company and its directors.

### **1.5 Sales and advertising**

Sales and advertising material and activity must be clear and truthful.

## **2 INFORMATION – PRE-CONTRACT**

### **2.1 Pre-purchase information**

Home Buyers must be given enough pre-purchase information to help them make suitably informed purchasing decisions.

In all cases this information must include:

- a written Reservation agreement;
- an explanation of the Home Warranty cover;
- a description of any management services and organisations to which the Home Buyer will be committed and an estimate of their cost.

Also, if a Home is not yet completed, the information must include:

- a brochure or plan reliably showing the layout, appearance and plot position of the Home;
- a list of the Home's contents;
- the standards to which the Home is being built.

### **2.2 Contact information**

Home Buyers must be told how their questions will be dealt with and who to contact during the sale, purchase and completion of the Home.

### **2.3 Warranty cover**

Home Buyers must be given accurate and reliable information about the insurance-backed warranty provided on the Home.

### **2.4 Health and safety for visitors to developments under construction**

Home Buyers must be informed about the health-and-safety precautions they should take when visiting a development under construction.

### **2.5 Pre-contract information**

Home Builders must advise Home Buyers to appoint a professional legal adviser to carry out the legal formalities of buying the Home and to represent their interests.

### **2.6 Reservation**

Home Buyers must be given a Reservation agreement that sets out clearly the terms of the Reservation, including, but not limited to:

- the amount of the Reservation fee;
- what is being sold;
- the purchase price;
- how and when the Reservation agreement will end;
- how long the price remains valid;
- the estimated cost and nature of any management services the Home Buyer must pay for.

The Reservation fee must be reimbursed if the Reservation agreement is cancelled. The Home Buyer must be told of any deductions that may be made.

While the Reservation agreement is in force, the Home Builder must not enter into a new Reservation agreement or sale agreement with another customer on the same Home.

## **3 INFORMATION – EXCHANGE OF CONTRACTS**

### **3.1 The Contract**

Contract-of-sale terms and conditions must:

- be clear and fair;
- comply with the Unfair Terms in Consumer Contracts Regulations 1999;
- clearly state the contract termination rights.

### **3.2 Timing of construction, completion and handover**

The Home Buyer must be given reliable and realistic information about when construction of the Home may be finished, the date of Legal Completion, and the date for handover of the Home.

### **3.3 Contract termination rights**

The Home Buyer must be told about their right to terminate the contract.

### **3.4 Contract deposits and pre-payments**

The Home Builder must clearly explain how Home Buyers' contract deposits are protected and how any other pre-payments are dealt with.

## **4 INFORMATION – DURING OCCUPATION**

### **4.1 After-sales service**

The Home Builder must provide the Home Buyer with an accessible after-sale service, and explain what the service includes, who to contact, and what guarantees and warranties apply to the Home.

### **4.2 Health and safety for Home Buyers on developments under construction**

Home Buyers must be told about the health-and-safety precautions they should take when living on a development where building work continues.

## **5 COMPLAINTS AND DISPUTES**

### **5.1 Complaints handling**

The Home Builder must have a system and procedures for receiving, handling, and resolving Home Buyers' service calls and complaints.

The Home Builder must let the Home Buyer know of this, and of the dispute resolution arrangements operated as part of this Code, in writing.

### **5.2 Co-operation with professional advisers**

The Home Builder must co-operate with appropriately qualified professional advisers appointed by the Home Buyer to resolve disputes.

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Further information, including the code documents, can be obtained from the Consumer Code web site:  
**[www.consumercodeforhomebuilders.com](http://www.consumercodeforhomebuilders.com)**

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### All you need to know

Your solicitor or licensed conveyancer should check if your plot has been registered and give you all the Buildmark documents, including your policy booklet. You should also receive our 'Guide to your new home' which gives you useful information about 'running-in' your new home and how to minimise some of the more common problems like shrinkage and condensation.

## More about NHBC

We are an independent, expert authority on the housing industry with approximately 18,000 builders on our register, and 1.7 million homes currently protected with our home warranty.

Only builders and developers who can demonstrate financial standing and technical competence can be registered with NHBC. They must follow the NHBC Rules and build homes to NHBC's Standards of construction.

## Want to know more about NHBC Buildmark cover?

Our Customer Services team will be happy to answer any queries you may have. They are available Monday to Friday between 08:30 and 17:30.

You can contact them:

- by telephone on **0844 633 1000** and ask for 'Customer Services'
- by email to [cssupport@nhbc.co.uk](mailto:cssupport@nhbc.co.uk)
- in writing to Customer Services, NHBC, NHBC House, Davy Avenue, Knowlhill, Milton Keynes MK5 8FP.

You can also access more information about our products and services in the 'Homeowner' section of our website at [www.nhbc.co.uk](http://www.nhbc.co.uk)

## Consumer Code for Home Builders

As well as protection under Buildmark, home buyers also have protection under the home-building industry's independent Consumer Code for Home Builders from 1 April 2010. The Code requirements are listed within this document; these are a set of core principles that home builders registered with NHBC must adopt to protect the interests of new home buyers. More details are available at [www.consumercodeforhomebuilders.com](http://www.consumercodeforhomebuilders.com).

This brochure helps your builder to provide information to you about the Buildmark cover available with your new home as required by the Consumer Code for Home Builders.

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by the Financial Services Authority.

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material which is produced from  
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