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NHICC Housing Market Study/Consumer Protection – Project Release

Attention Housing Stakeholders

The recent Federal budget addressed a major issue facing today's insane housing market. Higher housing prices, bidding wars, blind bidding and the lack of conditions are scaring buyers out of a home inspection in order to win their dream home.

There are many steps involved in buying property and there are many ways that can make it better or a buyer's worst nightmare. As noted in the budget, home inspections are recommended in all real estate transactions yet are being waived in order to succeed in the purchase process. So who is protecting consumers in such a lopsided marketplace?

Perhaps many new home buyers are able to get into this crazy market with funding from baby boomers "Mom and Pop's" fat bank accounts. Are these buyers relying on that same funding source to get themselves out trouble for repairing what they may find after the purchase?

The NHICC (National Home Inspector Certification Council) is a Canadian federal NFP credentialing body for home inspectors. We are concerned about the impact of the current real estate market and lack of consumer protection. What can be done to turn the tide on this trend that is hurting far too many home buyers? We are proposing a study of a number of issues in this area: (including but not limited to)

- Affordability **and availability**
- Should home inspections be mandatory? If so, who is best qualified?
- What are the pros and cons of a mandated "cooling off" period?
- Should the realtors "blind bidding" be replaced with a more open and transparent process?
- What is the impact on homeowners and vendors, financial institutions, insurers, appraisers and possibly builders? Is it just fueling inflation and raising risk?
- What is the ripple effect on rental units, and maintenance of property standards, etc.?
- Should homes be insured and financed without a home inspection?

What we see is far too many risks for buyers, and the stakeholders involved. More so, the lack of disclosing the true condition and value of homes purchased without an independent review of the property. Definitely, the old saying "*buyer beware*" is not a solution to this dilemma.

We kindly ask if you are interested in supporting our efforts in this study, or perhaps would like the opportunity to become involved as a stakeholder participant. As such we would appreciate your acknowledgement or feedback on this project. Simply send us an email:

nhicc1@gmail.com

Regards and thank you.

Claude Lawrenson, NHICC President