



MEUMANN WHITE

A T T O R N E Y S

**HOUSING CONSUMERS PROTECTION
MEASURES ACT 95 OF 1998 (NHBRC)**

Presented by Meumann White Attorneys

The above Act came into effect on 1st June 1999, and brought into being the National Home Builders Registration Council ("NHBRC"). This council is put in place to protect consumers. In terms of the Act home builders will agree to be bound by the rules and regulations laid down by NHBRC. This means that the home builder has agreed to build the house to a minimum quality standard that has been set out in the NHBRC standards and guidelines. The NHBRC will investigate a valid complaint sent to the home builder if he refuses or is unable to assist the owner.

A valid complaint is one that relates to a defect caused or likely to cause significant damage to the roof structure, superstructure, foundations and private drainage of the new house and which is made within a five year warranty period.

The process for claiming against the homebuilder is laid down in the standard home builders warranty. As there are cases when the NHBRC cannot assist the home owner, the home owner is advised to read the standard home builders warranty carefully and take note of the conditions stipulated in the warranty.

The standard homebuilders warranty is not an insurance scheme and the home buyer cannot submit a claim against the NHBRC. Rather it is a method whereby if the home builder refuses or is unable to honor his contractual or warranty obligations the NHBRC may step in to provide support to the home owner, in the form of putting pressure on the builder to rectify otherwise he will be de-registered. If he is de-registered then he cannot validly continue to be a builder. When the Act commenced it governed only dwellings up to a value of R250 000.00. As of 1st November, 1999, this was amended so that the Act covers all new dwellings regardless of their value.

The local office at the NHBRC is at telephone number 031 2778400.