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If It's Broke, Fix It

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One of the best things about buying a new home or condominium suite in Ontario is having your investment covered by Tarion Warranty Corporation.

This outstanding organization provides new home buyers with a level of protection that is the envy of other places in Canada and around the world. In our province, we enjoy a high level of quality construction through the requirements of the Ontario Building Code alone. Add Tarion's deposit protection, and protection against defects, unauthorized substitutions and delayed closings or

occupancies without proper notice, and the standards are remarkable. Condominium buyers even get warranty coverage on the common/shared areas of the building.

I remember the days before we had a provincial warranty program in effect, and times were different. In the 1970s, there were many topnotch residential builders across Ontario. Unfortunately, there were also some who were making news for all the wrong reasons. Consumers complained about everything from poor quality construction to late closing dates with no warning, and a general disrespect for their hard-earned dollar. The federal government even sent representatives to look at the warranty program being used in the United Kingdom at the time for ideas on how to improve conditions here.

Housing is a provincial jurisdiction, however, and the builders in the GTA and elsewhere in Ontario decided to take control of their destiny. In 1976, they approached Premier Bill Davis about funding and administering a provincial program, and the Ontario New Home Warranty Program was born. To make it as fair as possible, the board was made up of a variety of stakeholders. This has evolved over the years to include builders, lawyers, various consultants, plus government and consumer representatives.

Every new home builder in Ontario is required by law to provide coverage according to the Ontario New Home Warranties Plan Act. Before they can sell even one home, builders have to prove that they have the technical expertise and financial wherewithal to join Tarion.

**30 Years of
Protecting Ontario's
New Home Buyers**
CHANGING WITH THE TIMES

Consumers benefit from one- and two-year warranty protection against defects in work and materials, and seven-year protection against major structural defects. Today's coverage also protects new home buyers against the loss of deposits up to \$40,000 if the sale of their home is not completed through no fault of their own. If and when it becomes necessary, Tarion will step in if builders fail to honour warranty obligations. An important part of that service is helping homeowners and builders understand the limits of the Act.

All of this offers people tremendous peace of mind – and Tarion works – but only when purchasers take the time to understand the details of the program and how to use it. The “Find a Builder” section of Tarion’s website helps you to locate builders who are licensed, find out how many homes they’ve built, and their after-sales service record with Tarion. There is even a Tarion Customer Centre at 5150 Yonge Street in Toronto where you can ask questions and receive assistance in person.

Tarion is a tremendous program that is, in my opinion, tremendously fair to consumers and builders alike. If you are thinking of buying a new home, you can also knock on the doors of current owners in a builder’s existing communities and ask about their experience. Research individual builder websites online, visit the CMHC website for advice, and shop around and compare. The point is, do your homework before you buy a home. The time to understand Tarion coverage is before you sign the Agreement of Purchase and Sale.

If you have bought or are thinking of buying a new home, do yourself a favour and visit www.Tarion.com. Check out the coverage you are entitled to and contact Tarion if you have questions. Make the most of this valuable tool that will help you protect your new home investment for years to come.

Hugh Heron is Principal and Partner in the Heron Group of Companies and President of Heathwood Homes, as well as a former Member of the Board of Directors of Canada Mortgage and Housing Corporation, and a Past President of the Toronto Home Builders’ Association and the Ontario Home Builders’ Association.