

A Roof Over Your Head

How Tarion's Guarantee Fund Protects
Ontario's New Home Buyers

Warranty funds go a long way

PRE-MOVE

MOVE-IN

POST-MOVE

DEPOSIT
PROTECTION

DELAYED CLOSING
COMPENSATION

7-YEAR WARRANTY

Deposit protections of between **\$20,000** and **\$100,000**.

\$300,000 maximum coverage for every new home and condominium.

400,000≈ homes under warranty at any given time.

100,000+ homes under construction at any given time that are eligible for deposit protection.

What happens when warranty programs are not prepared?

British Columbia

- Bankrupt in 1999
- Estimated \$703 million in claims due to water penetration issues in condominiums



Quebec

- Estimated \$65 million and counting in claims due to concrete deterioration
- In 2016, the Prime Minister committed \$30 million over 3 years to help affected homeowners

The maximum possible loss to Ontario's new home warranty program could be in the **BILLIONS!**

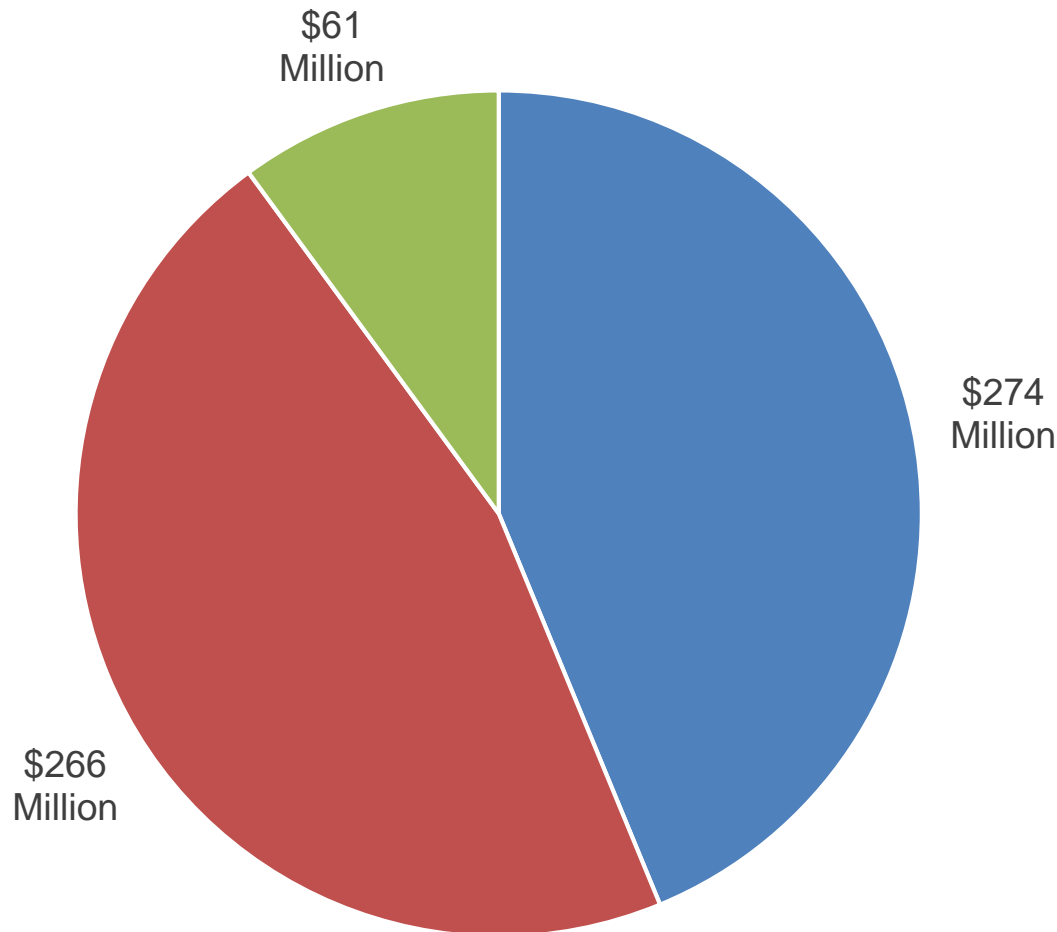
Where does Tarion get its funding?

Tarion is entirely self-funded

- **Initial builder registration fees**
- **Annual builder renewal fees**
- **Home enrolment fees**



Guarantee Fund Assets Provide Support



Warranty Liabilities

For new home owner warranty coverage.

Equity

For future potential catastrophic events.

Deposits from Builders Held as Security

For managing builders' warranty commitments.

Making sure your warranty is protected ⁵



Tarion closely monitors its Capital to help protect against losses from catastrophic events.



Tarion adopts best practices similar to those used in the insurance industry to ensure its financial position is strong.



Tarion's warranty liabilities fund is reviewed annually by an independent actuary.

So what does this all mean?

New home warranty programs operate with the ever present risk of catastrophic financial loss.

A healthy Guarantee Fund is Tarion's best safeguard against an uncertain future.

Tarion applies industry best practices to ensure that its Guarantee Fund is able to cover future claims.

Contact Us

1-877-982-7466

Connect With Us:

