

Building Your Own Home in Ontario?

What you need to know before
you get started



If you decide to build your own home, it will not qualify for statutory warranty protection.

Owner-built homes must be built on land owned by the owner. They cannot be enrolled with Tarion and will not have a statutory warranty.

By building your own home, you are taking on the role of a builder and will be in control of the project. By acting as the builder, your responsibilities may include, among other things:

- Workplace safety and insurance, which includes being responsible for the workers on your site and ensuring compliance with any occupational health and safety laws.
- Obtaining the correct municipal permits for the different stages in construction.
- Selecting, contracting directly with, and terminating contracts with or directly paying subcontractors, trades or suppliers.
- Reviewing, revising, approving, supervising or directing work or materials.
- Being responsible for any defects in construction.

Can you change your mind and decide to sell an owner-built home?

If you are building a home for yourself but are considering selling before occupying it, contact Tarion as soon as possible before listing the home for sale. Tarion may be able to assist you in ensuring you are operating in accordance with the *Ontario New Home Warranties Plan Act*.

If you sell your home before occupying it and enrolling it with Tarion, you may be committing an offence and you could be charged under the *Ontario New Home Warranties Plan Act*. Those convicted may be subject to prosecution and fines of up to \$50,000 and/or imprisonment of up to 2 years for individuals and fines of up to \$250,000 for corporations.



Remember, being registered and providing a Tarion-backed warranty isn't optional – **it's the law!**

Are you hiring someone to build your new home?

A contract home is not the same as an owner-built home. A contract home (sometimes referred to as a custom home) is constructed under a contract between a builder and a land-owner, where the builder provides for the construction of a home on that land.

If you have entered into an agreement with someone to build you a home, that person:

- Must be a registered builder with Tarion
- Must enrol your home in the statutory warranty plan, and
- Will be responsible for the statutory warranty coverage on your home.

By law, anyone in Ontario who plans to build a home for someone else or sells a new home must be registered with Tarion.

Every registered builder is listed on the Ontario Builder Directory, searchable on Tarion.com. This directory shows a 10-year history for each builder and indicates if a builder has had their licence revoked or refused. Any builder that is not listed in this directory as registered is not a registered builder in Ontario and may be building illegally.

Be suspicious of contractors who say things like:

“You don’t need a Tarion warranty because I offer my own.”

FACT: In Ontario, everyone who builds a new home for sale or under contract with an owner is required to be licensed by Tarion and provide their buyers with the statutory warranty.

“I could enrol the home in the warranty program, but it would cost you around \$20,000.”

FACT: Home enrolment fees range from \$385 – \$1,800 and are paid by the builder.

“We don’t need to enrol custom/contract homes.”

FACT: Every builder in Ontario must enrol their homes with Tarion and give buyers the statutory warranty – this includes contract homes, custom homes, and cottages equipped for year-round living.

Questions? Ask us!

1-877-982-7466

Tarion.com

**We have three locations across the province
to serve you in person.**

Toronto

5160 Yonge Street, 12th Floor, Toronto, ON M2N 6L9

Ottawa

1580 Merivale Rd., Suite 508, Ottawa, ON K2G 4B5

London

395 Wellington Rd., Suite 214A, London, ON N6C 5Z6

Visit the Ontario Builder Directory on Tarion.com to confirm if a builder is registered with Tarion and a new home is enrolled in the warranty program.

If you have questions about whether your home should be enrolled in the warranty program, please contact: ismyhomecovered@tarion.com

If you are concerned you might be working with an illegal builder, please contact: investigations@tarion.com or 1-877-982-7466 ext 3833

Tarion Warranty Corporation has been regulating new home builders and providing warranty protection to new home buyers in Ontario for more than 40 years.