

Registrar Bulletin No. 17

Additional Condominium Requirements

Effective Date: February 1, 2021

What this Bulletin is About

This Bulletin¹ sets out a number of standard terms and conditions which are requirements of every vendor of homes in a condominium project. Every vendor of homes in a condominium project agrees that it will do the following.

Additional Condominium Provisions

Agreement of Purchase and Sale Supplements

1. The Vendor shall complete and attach the applicable Addendum required by Regulations 165/08 and 892 as amended to each and every residential agreement of purchase and sale for the project. (See also Registrar Bulletin No.06C - Condominium Delayed Occupancy Warranty).
2. The Vendor shall at the place and time that any residential agreement of purchase and sale for the project is signed attach to the purchase agreement the applicable Warranty Information Sheet required by Regulation 892 as amended. (See also Registrar Bulletin No.05 - Builder Deliveries).

Contact Information

3. The Vendor shall within 30 days after any agreement of purchase and sale is signed (provided it has not subsequently been terminated) submit to Tarion, in writing, contact information for the purchaser signing the purchase agreement, including name, address and email address, if available all as required by Regulation 892.

Certificates of Completion and Possession

4. On the date of possession, the Vendor shall deliver to the owner a combined certificate of completion and possession and warranty certificate as required by Regulation 892.
5. In the case of a condominium project that qualifies for warranty coverage on the common elements under the *Ontario New Home Warranties Plan Act*, on or promptly following the date of registration of the condominium corporation, the vendor shall deliver to the condominium corporation a combined certificate of completion and possession and warranty certificate for the common elements as required by Regulation 892.
6. Within 15 days from the date of possession of each home sold by a Vendor, the Vendor, shall submit to Tarion the completed and signed certificate of completion and possession form or forms mentioned above as required by Regulation 892.

¹ Please note that the provisions in this Bulletin are not exhaustive. If there is any conflict or inconsistency between the terms of this Bulletin with provisions of the ONHWP Act or regulations, then the provisions of the ONHWP Act and regulations shall prevail, with the ONHWP Act and regulations being paramount.

Pre-delivery Inspection

7. On the pre-delivery inspection date, the vendor shall complete and sign a certificate of completion and possession form and a pre-delivery inspection form approved by Tarion and deliver a copy of the completed and signed forms to the purchaser as required by Regulation 892.

8. Upon the request of the owner or Tarion, the Vendor shall provide to the owner and to Tarion the completed and signed copy of the pre-delivery inspection form mentioned in section 7 above

Condominium Corporation Information Package

9. The Vendor of the proposed condominium project shall deliver a copy of the Condominium Corporation Information Package (CCIP) developed by Tarion and found at tarion.com to the elected Board of Directors at the Turnover Meeting. It may be delivered by hard copy or electronically.

Title Matters

10. The Vendor represents, warrants and declares that the Vendor : (i) is the registered owner of the freehold ownership interest in the property on which the Project is to be constructed (the “**Property**”); or has the power to compel transfer of such freehold ownership interest in the Property before closing of the sale of units to purchasers.(in the latter case the Vendor will provide supporting explanation and materials) Variations or amendments to this representation on a case by case basis may be considered upon written application to Tarion and granted in the reasonable discretion of Tarion having regard to the purposes of this provision.

11. The Vendor represents, warrants and declares that:
 - a. the Property is free from any registered title restriction that binds the Project which would prevent completion of the Project and/or sale of units to purchasers, or alternatively,
 - b. if such a restriction exists, the explanation for how the restriction can and will be removed (so that the Project can proceed and/or the sale of units can be completed), has been provided to Tarion in writing.

Variations or amendments to this representation on a case by case basis may be considered upon written application to Tarion and granted in the reasonable discretion of Tarion having regard to the purposes of this provision

Material Change, Legal Proceeding

12. If the Project, Vendor (or declarant), or builder of the Project, has a material change in circumstances or becomes subject to a Legal Proceeding, the Vendor shall notify Tarion in writing of such matters and provide such reasonable background materials as Tarion shall request. “Legal Proceeding” means: legal, court or other proceedings that may adversely affect the likelihood that the Project and all sales will be completed or affect the ability to honor statutory warranties including, without limitation, private or court-supervised

receiverships, power of sale, creditor protection, insolvency, restructuring, bankruptcy and other proceedings under one or more of the *Companies' Creditors Arrangement Act*, the *Bankruptcy and Insolvency Act*, the *Construction Act*, the *Personal Property Security Act* (Ontario), the *Mortgages Act*, the *Courts of Justice Act*, the *Business Corporations Act* (Ontario).

Condo Cancellations; APS terminations

13. The Vendor shall notify Tarion in writing in advance if the Vendor believes it may "Cancel" the above-noted project (the "**Project**") before taking any steps to actually cancel the Project.

A project is considered "**Cancelled**" if the Project will not proceed. Agreements of purchase and sale (APS) will be noted as terminated in connection with a Cancelled project where they have been terminated because:

- a. one or more of the following conditions in the APS have not been satisfied:
 - o necessary development approvals are not obtained;
 - o specified sales threshold is not attained; and/or,
 - o satisfactory financing for the project is not obtained; or
- b. the project or a portion of the project will not proceed because of an event or circumstance which results in APS becoming incapable of completion at law (e.g. frustration of contract).

However, for clarity, APS terminations will not be noted where the APS is terminated: 1) by a voluntary, mutual termination agreement; or 2) because the purchaser does not satisfy a good faith condition in the APS that the purchaser has the financial resources to complete the transaction; or 3) where the purchaser has terminated pursuant to a right set out in the APS or the *Condominium Act (Ontario)*; or 4) through termination due to the default of the purchaser. In each of these circumstances, upon request of Tarion the vendor will be required to provide reasonable evidence to Tarion to establish that the circumstance exists.

14. If the Vendor cancels the Project, the Vendor shall:

- a. provide to Tarion a copy of the letter sent to purchasers (or letters if there are different versions) notifying them of the termination of their agreement of purchase and sale;
- b. in the letter sent to the purchasers, include details of the reason(s) for the termination, including references to the early termination condition in the Addendum being relied on, if applicable, or other acceptable explanation;
- c. provide to Tarion such other information and documents relating to the Vendor and Project as Tarion may request;
- d. co-operate in any review Tarion may decide to conduct and if Tarion decides to hire a third party to assist in the review, the Vendor shall reimburse Tarion for the associated costs;

15. As per section 11 of the Addendum, if a purchase agreement is terminated the Vendor shall not require or indicate to a purchaser that signing a release is necessary before the refund of all monies paid under the agreement of purchase and sale. Purchasers are

required only to acknowledge termination of the transaction and the amount of money received.

For clarity paragraphs 9, 13 and 14 do not apply to homes on vacant land condominiums or homes which are parcels of tied land to a common element condominium.

Registrar

"Peter Balasubramanian"