

Registrar Bulletin No. 10 C

Tarion Application Process for Condominium
Projects

Effective Date: February 1, 2021
Updated: September 8, 2022

What This Bulletin Is About

Overview

This Bulletin summarizes the process to apply to Tarion to sell and build a Condominium Project. The process applies to every format of a Condominium Project that involves the sale of previously unoccupied residential unit(s), including Standard Condominiums, phased condominiums, Vacant Land (VL) condominiums, Parcels of Tied Land (POTL) including Common Element Condominiums (CEC), and Residential Condominium Conversion Projects (RCCPs).

There are different versions of Registrar Bulletin 10 explaining the process to apply to Tarion to sell and build Freehold Homes (Registrar Bulletin 10-FH) and Contract Homes (Registrar Bulletin 10-CH). Aside from the application process, there are other Registrar Bulletins that apply to various topics under the ONHWP Act. Before applying to Tarion you should visit [Tarion's website](#) to review all of the Registrar Bulletins applicable to the type(s) of homes you plan to build and sell.

It is important to follow the process outlined in this Bulletin because it is a provincial offence to offer to sell, agree to sell, and/or Commence Construction of a Condominium Project without first: obtaining Vendor and Builder licenses from the Home Construction Regulatory Authority (HCRA); and applying to Tarion to obtain authorizations to offer to sell, agree to sell, and/or Commence Construction of the units and common elements.

The process outlined in this Bulletin primarily relates to persons or entities who are licensed as both a Vendor and Builder. Separate Vendor and Builder entities who plan to work together to sell and build a Condominium Project should review the section on page 11 titled "Separate Vendor and Builder of a Condominium Project" for more information, and contact the Underwriting department to address any additional questions.

The process outlined in this Bulletin primarily relates to Condominium Projects that will be sold before Commencing Construction. The process varies slightly for Condominium Projects that will be sold after Commencing Construction. Refer to the section on page 11 titled "Condominium Projects Sold After Construction Commences" and contact the Underwriting department to address any additional questions.

Glossary

Below are definitions of the key terms used in this document (not in alphabetical order). These defined terms are indicated throughout the document with capitalized letters.

"Condominium Project"	In this Bulletin, Condominium Project refers to the project being applied for including residential units and appurtenant common elements. Types of Condominium Projects include: Standard Condominiums, phased condominiums, Vacant Land Condominiums, Residential Condominium Conversions (RCCPs), and POTL / CEC.
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“Builder”	A person or entity who undertakes the performance of all the work and supply of all the materials necessary to construct a completed Condominium Project.
“Vendor”	<p>A person or entity who, on their own behalf, sells a unit not previously occupied to an owner. The Vendor is responsible for providing the owner with statutory warranty coverage.</p> <p>In some cases the Vendor and Builder may be the same person or entity. In other cases the Vendor and Builder may be separate persons or entities working together.</p>
“Interested Persons”	An individual, corporation, or other entity who may exercise control over the operations of a licensed Vendor or Builder, or who has a beneficial interest in the operations of the licensee (in terms of beneficial ownership, or that they stand to benefit from the profits of the licensee). The Interested Person’s influence may be the result of direct or indirect authority and/or financial control over the business. Examples include but are not limited to directors, officers, principals, or partners of a licensee.
“Home Construction Regulatory Authority (HCRA)”	The administrative authority responsible for licensing Vendors and Builders under the <i>New Home Construction Licensing Act</i> .
“Tarion”	The administrative authority responsible for: authorizing the specific construction plans of licensed Vendors and Builders; and administering the statutory warranty plan under the <i>Ontario New Home Warranties Plan Act</i> .
“Sell”	Includes entering into an agreement to sell.
“Commence Construction”	The commencement of construction of foundation components or elements (such as footings, rafts or piles) for the Condominium Project.
“Qualification for Enrolment (QFE) Confirmation”	The written authorization that a Vendor must obtain from Tarion for <u>each</u> condominium unit before the Vendor is permitted to offer or agree to sell the unit.
“Enrolment Confirmation”	The written authorization that a Builder must obtain from Tarion for <u>each</u> unit before the Builder is permitted to Commence Construction of the units and common elements.
“Application for QFE and/or Enrolment”	<p>The application that a licensed Vendor submits to Tarion outlining information about their proposed sales and construction plans. Tarion generally responds to the application with a Notice of Proposal (NOP) of Conditions, which outlines Terms and Conditions that must be satisfied by the applicant to obtain QFE Confirmation and Enrolment Confirmation.</p> <p>Note that where a Vendor is working in partnership with a separate Builder to sell/build a Condominium Project, the Vendor is responsible for submitting the application.</p>
“Risk Assessment”	A profile that Tarion develops for a Vendor after reviewing their Application for QFE and/or Enrolment. The profile is used for underwriting purposes to determine whether, and on which Terms and Conditions, a Vendor/Builder’s proposed sales and construction plans should be authorized. A Risk Assessment considers factors relating to the Vendor/Builder and their Interested Persons, including their past and present conduct and financial status (eg. financial equity, experience,

and Tarion history). The security-related aspects of the Risk Assessment are outlined in Registrar Bulletin 11-HR.

“Terms and Conditions ”

Requirements that a Vendor and/or Builder must satisfy in order to obtain, and continue to maintain, QFE and Enrolment Confirmation from Tarion.

Some Terms and Conditions are legislated under the *Ontario New Home Warranties Plan Act* and apply equally to all Vendors and Builders.

Some Terms and Conditions are proposed by Tarion on a case-by-case basis for a given Vendor or Builder.

“Notice of Proposal (NOP) of Conditions”

The written document that Tarion sends a Vendor outlining the proposed Terms and Conditions that they must satisfy to proceed with their construction and sales plans.

“BuilderLink”

Tarion’s online portal where licensed Vendors can submit an Application for QFE and/or Enrolment.

“Vendor Agreement” and “Builder Agreement”

A standard agreement that all Vendors and Builders must enter into with Tarion as part of the application process. Entering these agreements is a legislated requirement.

“Guarantor”

A person or entity, other than the applicant Vendor / Builder, who enters into a guarantee and indemnity agreement with Tarion to guarantee the Vendor / Builder’s financial obligations to Tarion. The person or entity may or may not be affiliated with the Vendor / Builder. Tarion may request that an applicant Vendor / Builder arrange for a Guarantor depending on the Vendor / Builder’s Risk Assessment.

“Registrar Bulletins”

Policies [published by Tarion](#) containing information and rules about various matters related to the statutory warranty plan. Compliance with these Bulletins is a legislated requirement, and a requirement under the Vendor Agreement and Builder Agreement.

“Freehold Home”

Refers to a newly constructed residential building sold by a vendor to a purchaser under an agreement of purchase and sale, where the sale involves both the lot and dwelling and the building is either: (i) a self-contained one-family dwelling, detached or attached to one or more others by one or more common walls; or (ii) a building composed of more than one and not more than two self-contained, one-family dwellings under one ownership. It does not involve any interest in a condominium of any kind. Typically, this refers to a regular new home in a subdivision, sometimes called a single-family dwelling, or a dwelling in a duplex, triplex, quadraplex, townhouse or rowhouse (in each case which is not a condominium).

“Contract Home”

Refers to a newly constructed residential building constructed by a builder for the owner of the lot for their use (not for sale), in accordance with a construction contract where the builder supplies substantially all the work and materials for the completed building. The building is either: (i) a self-contained one-family dwelling, detached or attached to one or more others by one or more common walls; or (ii) a building composed of more than one and not more than two self-contained, one-family dwellings under one ownership. It does not involve any interest in a condominium of any kind.

Standard Condominium	A condominium plan that typically includes townhouse, low-rise, and high-rise construction of units and common elements. The condominium plan may further contemplate features such as mixed commercial/residential use. A Standard Condominium does not include Vacant Land or POTL / CEC Condominiums as described below.
Vacant Land (VL) Condominium	Refers to particular kind of condominium plan (not standard) that contains at least one unit with no structures on it at the time the declaration and description is registered (Part XII of the Condominium Act).
Parcel of Tied Land (POTL) / Common Elements Condominium (CEC)	<p>A parcel of tied land is a freehold parcel of land or condominium unit which is tied to a share in a Common Elements Condominium corporation in accordance with Part X of the <i>Condominium Act</i>.</p> <p>A Common Elements Condominium refers to a particular kind of condominium plan (not standard) that does not contain any residential units but rather is made up of common element units. Interests in those common elements are granted to (tied) to other residential dwellings such as a Freehold Home or a Condominium Home (in a separate Standard Condominium)</p>
Residential Condominium Conversion Project (RCCP)	A Condominium Project involving a mix of pre-existing and new elements. Warranty coverage applies to the new elements, similar to newly constructed condominiums. RCCPs extend only to Condominium Projects that convert a building that previously had non-residential uses including but not limited to: office; commercial; institutional; hotel; boarding house; dormitory; group home; retirement home; rooming house; correctional institution; medical institution; or place of worship or religious institution such as a church, mosque, synagogue or temple. Rental residential building conversions (e.g. a rental apartment building being converted to condo units) are not eligible for warranty coverage as an RCCP. Refer to Registrar Bulletin 18 for more details about RCCPs.
Type “A” Condominium	Tarion’s classification for condominiums that: have only Part 9 OBC requirements; are a lot-line condominium; and are three storeys or less.
Type “B” Condominium	Tarion’s classification for condominiums that: have only Part 9 OBC requirements; are <u>not</u> a lot-line condominium; and are three storeys or less.
Type “C” Condominium	Tarion’s classification for condominiums that have both Part 3 and Part 9 OBC requirements.
Type “D” Condominium	Tarion’s classification for condominiums that have only Part 3 OBC requirements.

Application Process

1. Obtain Your Licences from the Home Construction Regulatory Authority (HCRA)

Before approaching Tarion, you must first be licensed by the **HCRA**. A Vendor licence is required if you plan to act as “**Vendor**” and sell units. A Builder licence is required if you plan to act as “**Builder**” and construct the units and common elements. Every application to Tarion to sell and build a Condominium Project requires that both an HCRA-licensed Vendor and Builder be identified, whether the Vendor and Builder are the same person/entity, or separate persons/entities planning to work together.

For the purposes of this document, the terms “Vendor” and “Builder” refer to those who have been properly licensed by the HCRA.

Visit the HCRA’s website at www.hcraontario.ca for more information about the licensing process.

Note: being licensed by the HCRA does not guarantee that Tarion will authorize your plans to sell and build a Condominium Project. Tarion’s authorization, as well as the Terms and Conditions that must be satisfied to obtain the authorization, will depend on underwriting factors.

2. Apply to Tarion for Authorization to Sell and Build a Condominium Project

Introduction

Obtaining or renewing a licence from the HCRA does not authorize you to offer or agree to sell units or Commence Construction of a Condominium Project. Those authorizations can only be obtained by completing the application process with Tarion and by receiving confirmation from Tarion that you may sell and build the Condominium Project.

The authorization to offer or agree to sell a unit is called “**Qualification for Enrolment (QFE) Confirmation**”. The authorization to build each unit is called “**Enrolment Confirmation**”. There is a single application titled “**Application for QFE and/or Enrolment Confirmation**” that you must submit as a first step to obtain both authorizations – for ease this is referred to as the “application” throughout this Registrar Bulletin. The application can be completed through Tarion’s online **BuilderLink** portal. The QFE and Enrolment Confirmations are not issued automatically after you submit an application – you must complete the further steps 3 to 5 outlined in the remainder of this Registrar Bulletin.

Your application should relate to all the Condominium Projects for which you plan to launch sales and/or construction (whichever comes first) within the next three to six months. While this Bulletin focuses on the application process for Condominium Projects, you may submit a single application to cover a mix of home types, for example, Freehold Homes. Be sure to review the different versions of Registrar Bulletin 10 that apply to Freehold Homes or Contract Homes if you will be applying for those home types.

Ideally, you submit one application per Condominium Project. However, if something changes shortly after submitting an application, and you wish to increase the number of units to sell / build (or there are other changes to your construction plans), you must contact Tarion and we can work with you to determine next steps. We will review to adjust your Risk Assessment and the NOP of Conditions as needed. We may require additional information as part of our Risk Assessment. Significant changes may require a new application.

Below are some points to keep in mind:

- Each unit that you intend to sell and build requires QFE Confirmation and Enrolment Confirmation. You can apply for all of these confirmations using a single application.
 - The application process for Condominium Projects is set up such that individual QFE Confirmations for all the units will be issued at the same time. Similarly, all the units must be enrolled at the same time and receive Enrolment Confirmation prior to commencing construction. The idea is that you are expected to have authorizations in place to sell all the units before commencing sales, and authorizations in place to construct all of the units before commencing construction of the Condominium Project.
 - Units that will be retained by the Vendor as purpose-built rentals are not eligible for statutory warranty coverage and do not require QFE or Enrolment Confirmation. Your application will collect information about any purpose-built rental units and the unit count provided should include the total number of residential dwellings, including a tally of those that are to be sold and rented. Various terms and conditions (including but not limited to security collection and release) may apply to projects that feature certain units retained for rental purposes. If your plans change and units originally intended for rentals will instead be sold, you must contact Tarion to obtain QFE and Enrolment Confirmation for the units.
- For clarity, QFE Confirmation and Enrolment Confirmation are not one-time authorizations that subsequently allow you to sell / build a limitless number of units. The Confirmations apply to the specific number of units(s) and type of Condominium Project proposed within your application and stated on your NOP of Conditions.
- It is a provincial offence to offer or agree to sell a unit that has not received QFE Confirmation, or to Commence Construction of the units or common elements that have not received Enrolment Confirmation.
- Although you apply for QFE Confirmation and Enrolment Confirmation at the same time through a single application, each of the written confirmations are provided to you at separate milestones. QFE Confirmations are provided first, allowing you to offer or agree to sell the units. Enrolment Confirmations are later provided before you Commence Construction of the units and common elements.
- If you plan to Commence Construction before beginning sales, refer to page 11 for information about the modified process that applies.
- Your Tarion application does not need to correspond with your HCRA licence renewal.
- Check BuilderLink to see how many Condominium Projects you have left to sell / build (within your previously authorized limits, if any) and re-apply when you wish to sell/build above your current limit.

Content of the Application for QFE and/or Enrolment

Your application will include information and documents about the Vendor, Builder, and your proposed construction and sales plans for the Condominium Project:

- The following forms and documentation which you may access samples of [here](#):
 - Application for QFE and/or Enrolment (to be completed through BuilderLink);
 - Condominium Project Profile Form (to be completed as a .pdf document and uploaded through the BuilderLink application platform);

- **Refer to Schedule “A” of the Condominium Project Profile Form which contains a list of additional documents to be submitted along with the form.**
- Signed Vendor Agreement and Builder Agreement (electronically signed through BuilderLink);
- Financial documentation about the Vendor/Builder applicant;
 - If the applicant Vendor/Builder is a corporation, their latest available externally prepared signed Notice to Reader financial statements, reviewed financial statements, or audited financial statements;
 - If the applicant Vendor/Builder is a sole proprietorship, a Personal Net Worth Statement form with supporting documents;
 - If the applicant Vendor/Builder is a partnership, financial statements or Personal Net Worth Statement form with supporting documents, as determined by Tarion;
- A Guarantee and Indemnity agreement from a Guarantor(s) of your financial obligations to Tarion, including;
 - The Guarantee and Indemnity Agreement itself;
 - Personal Net Worth Statement form with supporting documents for all guarantors who are: an individual, a sole proprietor, or a partner of a partnership;
 - If the guarantor is a limited or general partnership, additional documentation confirming the enforceability of the guarantee against the partners/partnership (via a template provided by Tarion);
 - If the guarantor is a corporation, reviewed financial statements or audited financial statements with minimum review engagement for the past three fiscal periods, shareholder register, a copy of the Initial Return / Notice of Change document as well as the incorporation documents. Note all corporate guarantors are reviewed by Tarion to determine whether the guarantor is acceptable to Tarion;
- Additional information and documentation reasonably requested by Tarion to help to develop a risk and underwriting assessment for the work you are proposing; and
- You may be asked to attend an interview or a site visit with Tarion.
- For Residential Condominium Conversion Projects (RCCPs) the following documents must be provided at least 90 days before the planned date of sales or construction (whichever occurs first) of the RCCP. Refer to Registrar Bulletin 18 for more details. These documents may take your consultants several months to complete, so plan ahead according to the date you intend to launch sales or construction.
 - Property assessment report;
 - Capital replacement plan; and,
 - Pre-existing elements fund study.

Application Review

To assess whether to grant an application and the appropriate **Terms and Conditions**, Tarion may consider the past and present financial position and conduct of the applicant Vendor / Builder and their **Interested Persons**. This may include a review of the applicant's financial equity, construction experience, warranty service, paid claims, and any other factors that indicate the applicant's willingness

or ability to meet their obligations under the ONHWP Act, the Vendor and Builder Agreements, and the Registrar Bulletins.

Application Timelines

We recommend that you submit your application 10-12 weeks before you plan to launch sales or Commence Construction (whichever occurs first). This timing recommendation is a general guideline to ensure that you provide sufficient lead time for Tarion to review and respond to your application. Your application may take less time to process if your application documentation is in order. It is our objective to assist you with a quick and seamless application process. Below are examples of circumstances that may result in delays. Please factor these into your project timelines as you work through your Tarion application process:

- Interview requirements;
- Missing or incomplete documentation;
- Reference checks;
- Site visits;
- Additional review of problematic warranty history;
- Additional review of complex residential condominium conversion projects (RCCPs);
- Concerns in the design, new technologies or materials used in the Condominium Project;
- The Vendor or Builder is unable to demonstrate sufficient technical competency or experience with high-volume sales/construction;
- The Vendor or Builder is affiliated with a previous Condominium Project that was cancelled; or
- Time required for you to satisfy Terms and Conditions such as providing security prior to receiving QFE Confirmation and commencing sales.

3. Terms and Conditions

Tarion will assess your application and provide a written response outlining the Terms and Conditions that you must satisfy prior to selling or building the Condominium Project referenced in your application. Note that home(s) you apply for in future applications may be subject to different Terms and Conditions. The written response containing your Terms and Conditions is called a “**Notice of Proposal (NOP) of Conditions**”. The Terms and Conditions found within the NOP of Conditions are broken down into three categories:

- (1) **Conditions of QFE:** requirements you must satisfy before Tarion issues written QFE Confirmation for the units, which authorizes you to begin sales;
- (2) **Conditions of Enrolment:** requirements you must satisfy before Tarion issues written Enrolment Confirmation for the units, which authorizes you to Commence Construction; and,
- (3) **Specified Terms and Conditions:** requirements that you must satisfy on an ongoing basis (ie. even after you receive QFE or Enrolment Confirmation).

Common examples of these Terms and Conditions include:

- The amount of security that you must provide to Tarion. For Standard Condominiums, providing security is a Condition of QFE. For VL and POTL / CEC Condominiums, providing security may be either a Condition of QFE or a Condition of Enrolment depending on your Risk Assessment;
- The requirement to provide updates to Tarion on an annual basis until the unit(s) have closed; and,
- Other conditions Tarion may reasonably propose in order to mitigate risks and underwrite the warranty obligations relating to the proposed construction.

We encourage you to contact Tarion to discuss any concerns you have about your NOP of Conditions. If you wish to formally dispute the NOP of Conditions, you may file an appeal with the Licence Appeal Tribunal within 15 days of receiving the NOP of Conditions.

The Terms and Conditions within the NOP of Conditions are deemed to apply if you do not file an appeal by the 15-day deadline. If you are prepared to accept the NOP of Conditions, you do not have to return a signed copy to Tarion. If you wish to indicate to Tarion before the 15-day deadline that you accept the NOP of Conditions and will not be appealing, you are able to indicate your acceptance on BuilderLink.

Other Sources of Terms and Conditions

The Terms and Conditions proposed by Tarion in an NOP of Conditions are tailored to your proposed sales and construction plans. It is important to remember that there are other sources of terms, conditions, and obligations that apply across the board to **all** Vendors and Builders. These sources include: the ONHWP Act and Regulations; the Vendor Agreement and Builder Agreement; and the Registrar Bulletins.

4. QFE Confirmation and Beginning Sales

You must receive written QFE Confirmation for each unit before you offer or agree to sell it or take any deposit monies. After all the Conditions of QFE outlined in your NOP of Conditions have been satisfied (for example, you have provided the required security to Tarion), Tarion will issue written QFE Confirmation for each of the units via email or mail. You can then proceed to offer and enter into agreements of purchase and sale for units that received QFE Confirmation.

5. Enrolment Confirmation and Commencing Construction

You must receive written Enrolment Confirmation for all of the units before you Commence Construction of the Condominium Project. When you are prepared to Commence Construction, you must do the following to obtain Enrolment Confirmation:

1. Submit all of the units for enrolment through BuilderLink;
2. Satisfy all the Conditions of Enrolment outlined in your NOP of Conditions; and,

3. Pay the applicable enrolment fees and regulatory fees either via BuilderLink or cheque (summarized in Registrar Bulletin 15). Enrolment fees for the units must be paid 30 days before you expect to Commence Construction.

Once these steps are complete, Tarion will provide you with written Enrolment Confirmation for the units via email or BuilderLink, which authorizes you to Commence Construction of the Condominium Project.

Circumstances may arise where you receive QFE Confirmation for the units, which authorizes you to offer or agree to sell the units before commencing construction, but your plans change such that you wish to Commence Construction before selling some or all of the units. In these circumstances, you may Commence Construction after obtaining Enrolment Confirmation for the units, and proceed to sell the unit(s) later.

Condominium Projects Sold After Construction Commences

The process outlined in this Registrar Bulletin is primarily geared towards Condominium Projects where some or all of the units will be sold before Commencing Construction. There are slight modifications to the process if you plan to Commence Construction before offering or agreeing to sell some or all of the units. The main modification is that Qualification for Enrolment Confirmation (QFE Confirmation) is not required. Instead, you can apply to Tarion immediately for Enrolment Confirmation for the units. Once you obtain all the requisite Enrolment Confirmations, you are authorized to: (i) Commence Construction of the Condominium Project; and (ii) after construction commences, to offer or agree to sell the units. Below is a summary of the modifications to steps 1 – 5 outlined above.

- Step 1 (Obtain Your Licence From the HCRA) remains the same.
- Step 2 (Apply to Tarion for Authorization to Sell And Build) remains the same, except you must indicate on your application that the units will be sold after Commencing Construction. As such, you will only be applying for Enrolment Confirmation for the units and common elements. You do not have to apply for QFE Confirmation.
- Step 3 (Terms and Conditions) remains the same, except that your Terms and Conditions will not contain Conditions of QFE, because the units do not require QFE.
- Step 4 (QFE Confirmation and beginning sales) does not apply.
- Step 5 (Enrolment Confirmation and Commencing Construction) remains the same. Keep in mind that you are not permitted to sell a unit that only has Enrolment Confirmation (without QFE Confirmation) until after Commencing Construction of the Condominium Project.

Please do not hesitate to contact us if you have questions about the process for Condominium Projects where units will be sold after Commencing Construction.

Separate Vendor and Builder of a Condominium Project

Where the Vendor and the Builder are separate entities who plan to work together to sell and build a Condominium Project, the Vendor (as the warranty provider) submits the application for QFE and/or Enrolment to Tarion.

The Vendor must indicate in the application the name of the Builder who will build the proposed home(s). To assess the application, Tarion will require information from the applicant Vendor and the proposed Builder.

The Vendor will be required to sign a Vendor Agreement with Tarion. The Builder will be required to sign the Builder Agreement with Tarion.

To assess the application, Tarion will consider the factors noted on page 8 under the “Application Review” subheading for both the Vendor and the Builder. If information about the Builder affects the Vendor’s application or the Terms and Conditions of QFE and/or Enrolment, Tarion will share that information with the Vendor. For example, if security is required because of the Builder’s lack of experience with the proposed type of construction or because of warranted defects in other homes built by the Builder, the reason for the required security will be explained to the Vendor. If there is any information that the Builder does not wish to be shared with the Vendor, they must let Tarion know at the time the information is provided, but this may result in the application being refused.

Tarion will respond to the application by issuing Terms and Conditions (in the form of an NOP of Conditions) to the Vendor. The Terms and Conditions must be satisfied by the Vendor unless the conditions specify otherwise.

The Vendor must enrol the units through BuilderLink and obtain Enrolment Confirmation (to be shared with the Builder, to indicate to the Builder that Tarion has authorized construction to commence).

Only the Vendor can offer or agree to Sell the units. Only the Builder can Commence Construction of the Condominium Project and act as the Builder throughout the course of construction.

Although the Vendor is the provider of the statutory warranties, the Builder’s performance in constructing the Condominium Project in compliance with the warranties will be tracked and considered by Tarion when assessing future applications that involve the Builder.

In some cases Tarion may propose that an applicant who is licensed as both a Vendor and Builder, act only as Vendor of the Condominium Project, and arrange to work with a more experienced separate Builder who will construct the Condominium Project. This applies where the applicant does not demonstrate adequate technical experience as a Builder to construct the Condominium Project.

Separate Vendor and Declarant of a Condominium Project

In cases where the Vendor and declarant (within the meaning of the *Condominium Act*) are separate entities, the following considerations apply:

- The Vendor who applied for QFE and Enrolment is expected to be the entity listed as the Vendor on the agreement of purchase and sale for all of the units.
- The Vendor who applied for QFE and Enrolment is expected to be acting on their own behalf in selling the units, rather than acting as an agent for another entity. This requirement comes from the definition of “Vendor” under the ONHWP Act. Tarion typically requests an officer’s certificate providing assurances that the Vendor is acting on their own behalf.
- Tarion typically requests assurances that the Vendor has the ability to compel title transfer from the declarant to the purchasers of the units at the time of closing.
- Tarion typically requests assurances that deposit monies will be maintained in trust in accordance with the *Condominium Act*.
- The Vendor may not provide security to Tarion in the form of a deposit trust agreement.

Security

Tarion's policies about security for Condominium Projects are set out in Registrar Bulletin 11. There are different versions of Registrar Bulletin 11 that apply depending on the type of Condominium Project:

- Registrar Bulletin 11L applies to low-rise Condominium Projects classified by Tarion as a type "A" or "B" condominium built in accordance with Part 9 of the Ontario Building Code. Refer to the Bulletin for more information about these classifications.
- Registrar Bulletin 11H applies to high-rise Condominium Projects classified by Tarion as a type "C" or "D" condominium built in accordance with Part 3 of the Ontario Building Code. Refer to the Bulletin for more information about these classifications.
- Registrar Bulletin 11F applies to VL Condominiums and POTL / CECs.

Ongoing Review by Tarion

Tarion may review your Terms and Conditions, financial situation, licensing status, and the status of your construction and warranty service record on an ongoing basis, including annually; and may propose changes to your Terms and Conditions on an ongoing basis to reasonably reflect any changes to your Risk Assessment. Any proposed changes will be set out and explained to you in writing via an amended NOP of Conditions.

In some cases, if it is in the public interest to do so, or if the nature of the construction ceases to meet the definition of a "home" under the ONHWP Act, Tarion may revoke your QFE Confirmation, cancel your Enrolment Confirmation, or amend your Terms and Conditions. This would be done by way of a Notice of Proposal, and you will have appeal rights as described below.

A failure to abide by your Terms and Conditions may result in sanctions from Tarion, a refusal to approve further homes for sale, a delay in the release of security, a revocation of authorizations already issued by Tarion, and/or a request that the HCRA take action against your licence to sell or build homes.

Vendors and Builders of type "C" and "D" Condominium Projects must comply with the Registrar Bulletin 19 reporting process.

Dispute Resolution

If you disagree with the Terms and Conditions proposed by Tarion within an NOP of Conditions, or wish to dispute a proposal by Tarion to refuse, suspend, or revoke QFE Confirmation, we encourage you to contact Tarion's Underwriting department to discuss your concerns. We will explain the basis for Tarion's proposal and work with you to try to resolve your concerns. For example, if Tarion's proposal relates to a lack of financial equity, it may be that Tarion's proposal can be adjusted if you are able to provide additional financial information, bring in a third party guarantor to support your financial obligations, or reduce the number of homes you are proposing to sell.

If you are unable to resolve your dispute through discussions with Tarion, you can appeal any Notice of Proposal issued by Tarion to the Licence Appeal Tribunal. An appeal must be filed within 15 days of receiving Tarion's Notice of Proposal. The Notice of Proposal document will explain the steps required to initiate an appeal.

Questions

If you have any questions about the processes outlined in this Bulletin, contact the Customer Service department at 1-877-9-TARION, (1-877-982-7466) or email us at customerservice@tarion.com.

Accessibility

Tarion's [Accessible Customer Service Policy](#) ensures that each person with a disability is considered individually, on a case-by-case basis, in order to determine accommodation requirements. Please do not hesitate to contact us at via any of the methods outlined in the Policy if you require accommodation within the application process or the BuilderLink portal.

Registrar

"Peter Balasubramanian"