



# 2024 New Home Buyers Report



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## About Tarion

As an independent not-for-profit consumer protection organization established by the provincial government, Tarion provides Ontario's new home buyers and owners with peace of mind that their purchase is safeguarded through the province's new home warranty and protection program.

Tarion supports consumer protection by providing free tools, guides and resources to help homeowners understand their builder's warranty and navigate warranty claims with confidence.

When a builder does not meet their warranty commitments, Tarion offers guidance to help homeowners ensure they receive the coverage they're entitled to, and when necessary, steps in to help resolve warranty claims.

## An evolving new homes market in an uncertain economy

Every year in Ontario, tens of thousands of individuals and families get the keys to a new condo or house that they've bought directly from a builder. Along the way, they navigate a complex journey, a dynamic marketplace, and big decisions. The 2024 Tarion New Home Buyers Report shines a spotlight on how the new homes market is evolving and what future buyers should be aware of as they navigate one of life's biggest purchases in the current economic environment.

As the non-profit consumer protection organization established to support Ontario's new home warranty program, Tarion's mandate includes maintaining a fair, safe and informed marketplace and promoting the protection of the public interest, particularly for consumers.

## Defining a new home buyer

In this report, a 'new home buyer' means a consumer who's planning to buy a pre-construction or newly built home that's less than five years old and still covered by the statutory new home warranty. This survey only asked about respondents' purchase intentions and did not capture final purchase decisions.

## Survey methodology

This survey was conducted by Environics Research between November 6th and 21st, 2023. The online survey included 538 residents, aged 25-75, from across Ontario, who intend to purchase either a pre-construction home or an existing home built in the past five years. Those who were more likely to buy a home older than five years old, rather than a newer home, were excluded from the survey. Results have been rounded to the nearest decimal place. All numbers in this report have been rounded to the nearest percentage point.

In 2023, Tarion launched its inaugural [New Home Buyers' Report](#) to gain a stronger understanding of consumers' top considerations when buying a pre-construction or newly-built home, the steps they take in preparing for their purchase, and opportunities for consumer education.

Following a year of economic change, Tarion's 2024 New Home Buyers Report reveals notable shifts in home buyer preferences and behaviours. As we strive to build awareness of the warranty program and the protections it offers, it's our hope that through continued efforts, all new homeowners in Ontario will be well equipped to get the well-built home they were promised, and the peace of mind they expect.

# New Homes in Ontario

**399,683**  
Homes under warranty in Ontario

**54,352**  
Total new enrollments  
(homes authorized to be built or sold)

**63,106**  
Home possessions  
(official transfer of ownership to the buyer)

**53%**  
Condo units

**43%**  
Freehold homes

What types of homes are covered?  
Under the Ontario New Home Warranties Plan Act, a dwelling that can be occupied year-round would be covered by the new home warranty.

Totals for 2023 valid as of December 31, 2023.



# Report highlights

Changes in Ontario consumers' home buying preferences since 2023



**5%**  
Gen Z  
(born in 1996-2012)

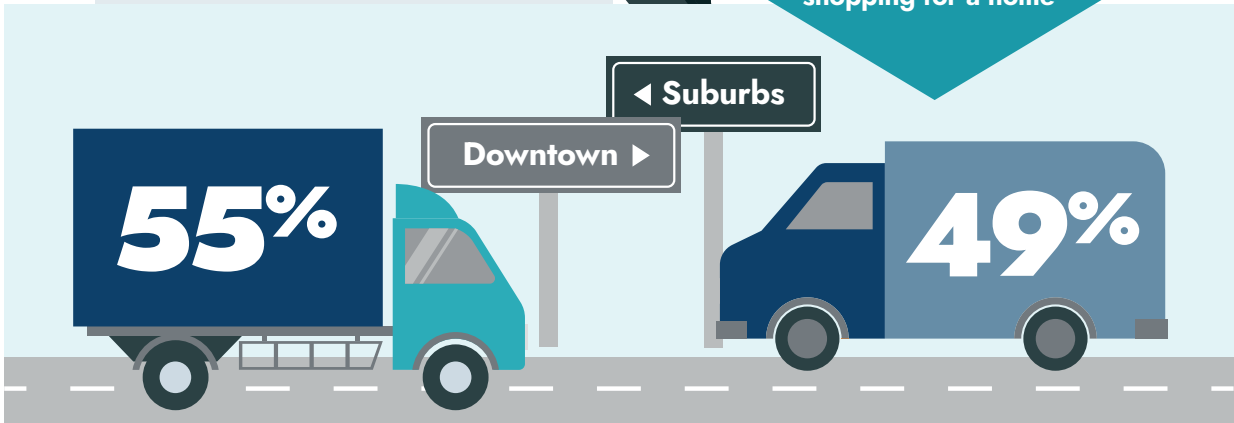
More Gen Z and recent newcomers are entering the market for new and pre-construction homes than in 2023\*

*\*Percentage point changes since late 2022*

**17%**  
Moved to Canada  
<10 years ago  
(among immigrants)

**34%**  
Fewer Ontario consumers estimated to be planning a new or pre-construction home purchase

Approximately **25%**  
Fewer consumers in Ontario estimated to be shopping for a home



Most respondents prefer city living and fewer home buyers prefer suburban homes in 2024 compared to 2023

**2%**  
<5 Years old

More home buyers likely to consider newly built homes over pre-construction\*

**5%**  
Pre-construction

*\*Percentage point changes since late 2022*

Size, price, style and energy efficiency remain top decision-making factors

# Key findings

Since Tarion published its inaugural New Home Buyers Report in 2023, home buying intentions and preferences in Ontario have undergone a significant shift.

## Ontario's home buyers are sitting on the sidelines amid economic uncertainty

In the past year, the estimated number of home purchase intenders in Ontario has declined by approximately 25%. Consumers who report being very likely to consider a newly built or pre-construction home has declined by 34% from approximately 750,000 to nearly 500,000 year over year<sup>1</sup>.

Two-thirds (66%) of respondents said that they plan to buy a newly built or pre-construction home in six to twelve months, an increase of five percentage points over the previous year. One-quarter (25%) of respondents anticipated being ready to buy in the next three to six months, and only 9% expected to finalize a purchase within three months of completing the survey.

## Consumers feel more confident in newly built homes compared to last year

Nine in ten (93%) home purchase intenders said they were likely to consider a home built within the last five years, a slight increase from last year (91%). Half (52%) of respondents say that a home of this age gives them the most peace of mind.

By contrast, seven in ten (72%) buyers are likely to consider a pre-construction home, a decrease of five percentage points from 77% the previous year. Only one-third (33%) of respondents indicated that a pre-construction home offers greater peace of mind, down from 39% the previous year.

## Changes in home buyer demographics

Six in ten (61%) survey respondents were repeat home buyers, and four in ten (39%) were first-time buyers. This recent survey noted an uptick in Gen Z home buyers (born between 1996 and 2012) by five percentage points from 3% to 8% year over year. Additionally, of the one-third (33%) of survey respondents born outside Canada, the number of home buyers who immigrated less than 10 years ago increased by 17 percentage points from 39% to 56%.

## Fewer buyers prefer the suburbs; cities become the top preferred type of community

In the past year, suburban areas are no longer the most preferred community type, with a decrease from 57% to 49%. Urban areas are now respondents' most preferred type of community at 55%, nearly unchanged from last year (56%).

## Energy efficiency remains a top factor in the new home purchase decision

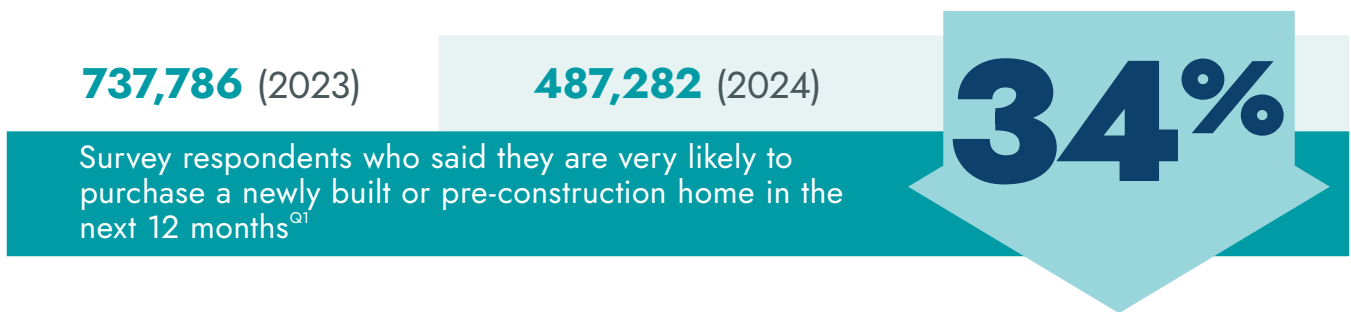
This latest survey shows that home price, size and energy efficiency and style remain the top factors in shopping for a home. Although interest in energy efficiency has decreased slightly at 92% vs. 96% the previous year, this remains an important consideration as the cost of living stays top of mind.

<sup>1</sup>Estimated numbers by Environics Research based on Statistics Canada population data.

# Detailed findings

## Fewer Ontario consumers are planning to start their new home journey in the next year

Based on Statistics Canada’s current population estimates, overall home purchase intentions in Ontario have declined by 25% in the past year. The estimated number of home purchase intenders who are likely to consider a home that’s either pre-construction or less than five years old, declined by 34% from 750,000 to 500,000 year over year. This marks a drastic change in mindset as consumers navigate higher cost-of-living increases and interest rates and Canadians’ overall consumer confidence hovers near record lows since the financial crisis of 2009<sup>1</sup>.



## Ontario’s home buyers are extending their timelines to purchase<sup>Q2</sup>

At the time of this survey, two-thirds (66%) of respondents indicated that they plan to buy a newly built or pre-construction home within the next six to twelve months, an increase of five percentage points over the previous year. One-quarter (25%) of respondents anticipated being ready to buy in the next three to six months, down from 29% last year. Only 9% are close to finalizing a purchase within three months of completing the survey, a slight decrease from last year.

| Next 3 months |      | 3-6 months |      | 6-12 months |      |
|---------------|------|------------|------|-------------|------|
| 10%           | 9%   | 29%        | 25%  | 61%         | 66%  |
| 2023          | 2024 | 2023       | 2024 | 2023        | 2024 |

*“This shift in home buyer mindset is striking. However, it’s consistent with other trends in big-ticket consumer decisions, and it makes sense considering that, overall, Canadian consumer confidence is at one of its lowest points since the financial crisis of 2009. This situation is dynamic. As consumers watch for the signs of interest rates and inflation easing, new home buying trends are likely to change.”*

David MacDonald, Group Vice President, Financial Services, Environics Research

<sup>1</sup> Canadian Real Estate Association, National Consumer Confidence. <https://stats.crea.ca/en-CA/stats/2k7dZil1MPa7B2vbqjNKH/>

Q1. [All respondents, n=538] How likely are you to purchase a home within the next 12 months. Are you...

Q2. [All respondents, n=538] When are you planning to purchase a home?

## Preference for newer homes is on the rise

Consistent with the 2023 report, this year’s survey respondents show the strongest preference for newly built homes, with 93% saying they’re likely to consider a home built within the last five years, a slight increase from last year (91%). Just over half (52%) of respondents say that a home of this age gives them the most peace of mind.

By comparison, pre-construction homes have seen a slight decrease in popularity, with seven in ten (72%) respondents saying they’re likely to consider a home bought directly from a builder, a decrease of five percentage points over last year (77%). At the time of the survey, one-third (33%) of respondents said that buying a home that’s not yet built gave them greater peace of mind.

*“For most people, a home is one of life’s biggest purchases. Fortunately, if you’re buying a pre-construction home in Ontario, you have access to one of the country’s best new home warranty programs, and Tarion is here to help you understand your coverage so that you can be better informed and prepared.”*

Peter Balasubramanian, President and CEO, Tarion

| Likely to consider purchasing |      | Net likely | Very likely | Some-what likely | Not very likely | Not likely at all | Don't know |
|-------------------------------|------|------------|-------------|------------------|-----------------|-------------------|------------|
| Pre-construction              | 2024 | <b>72%</b> | <b>27%</b>  | <b>44%</b>       | <b>15%</b>      | <b>11%</b>        | <b>2%</b>  |
|                               | 2023 | <b>77%</b> | <b>32%</b>  | <b>45%</b>       | <b>15%</b>      | <b>7%</b>         | <b>2%</b>  |
| <5 yrs old                    | 2024 | <b>93%</b> | <b>41%</b>  | <b>52%</b>       | <b>5%</b>       | <b>2%</b>         | <b>1%</b>  |
|                               | 2023 | <b>91%</b> | <b>36%</b>  | <b>55%</b>       | <b>6%</b>       | <b>2%</b>         | <b>0%</b>  |
| >5 yrs old                    | 2024 | <b>72%</b> | <b>20%</b>  | <b>53%</b>       | <b>18%</b>      | <b>8%</b>         | <b>1%</b>  |
|                               | 2023 | <b>73%</b> | <b>18%</b>  | <b>55%</b>       | <b>18%</b>      | <b>8%</b>         | <b>1%</b>  |

## Most likely to give peace of mind

|                  |      |            |
|------------------|------|------------|
| Pre-construction | 2024 | <b>33%</b> |
|                  | 2023 | <b>39%</b> |
| <5 yrs old       | 2024 | <b>52%</b> |
|                  | 2023 | <b>50%</b> |
| >5 yrs old       | 2024 | <b>15%</b> |
|                  | 2023 | <b>11%</b> |

Q3. [All respondents, n=538] How likely are you to consider purchasing each of the following types of homes?

Q4. [All respondents, n=538] Based on what you know now, which of the following would be most likely to give you the greatest sense of peace of mind as a buyer? [SINGLE-SELECT]



## Who's buying new and pre-construction homes in 2024?

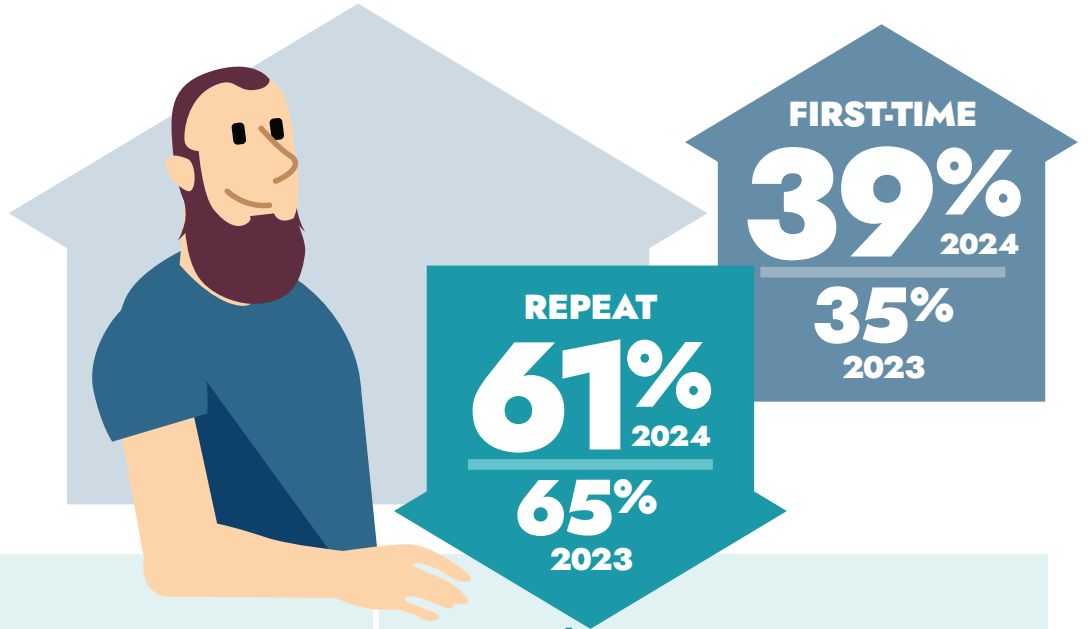
Similar to the 2023 report findings, repeat home buyers continue to outnumber first-time buyers in 2024, with a slight shift in relative group size. The percentage of respondents who are repeat home buyers has decreased slightly from 65% to 61%, while the percentage of first-time buyers has inched up from one-third (35%) to one-in-four (39%). The demographic makeup of these segments is relatively unchanged since last year, however, this recent survey identified two notable shifts reflecting Ontario's changing demographic profile.

The most recent survey found an uptick in young new home buyers, specifically Gen Zs – the oldest of whom will turn 28 in 2024 – as well as newcomers who have lived in Canada for less than 10 years. Compared to last year, the number of Gen Z new home buyers increased by five percentage points from 3% to 8%, and among those who have immigrated to Canada, the number of new home buyers who immigrated less than 10 years ago increased by 17 percentage points from 39% to 56%.

These trends correspond to recent Statistics Canada population estimates<sup>2</sup> noting a significant increase in younger adult cohorts, attributed in part to immigration.



<sup>2</sup>Statistics Canada, February 2024: Millennials now outnumber baby boomers in Canada. <https://www150.statcan.gc.ca/n1/daily-quotidien/240221/dq240221a-eng.htm>



**First-time buyers 39%**

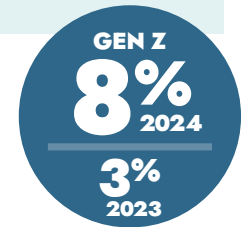
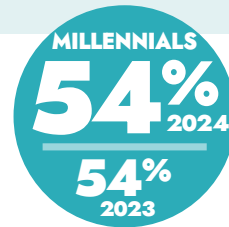
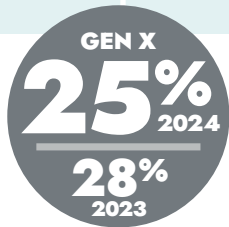
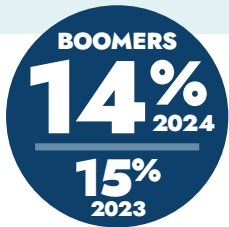
Groups with significantly higher proportions of first-time buyers:

- Millennials (45%)
- Single (58%)
- Lived in Canada <10yrs (69%)

**Repeat buyers 61%**

Groups with significantly higher proportions of repeat buyers:

- Boomers (82%)
- Gen X (72%)
- Married/common law (68%)
- Born in Ontario (68%)



**Place of birth**

|            |      |                |      |                  |      |                      |      |
|------------|------|----------------|------|------------------|------|----------------------|------|
| 60%        | 62%  | 35%            | 33%  | 4%               | 4%   | 1%                   | 1%   |
| 2023       | 2024 | 2023           | 2024 | 2023             | 2024 | 2023                 | 2024 |
| In Ontario |      | Outside Canada |      | Another province |      | Prefer not to answer |      |

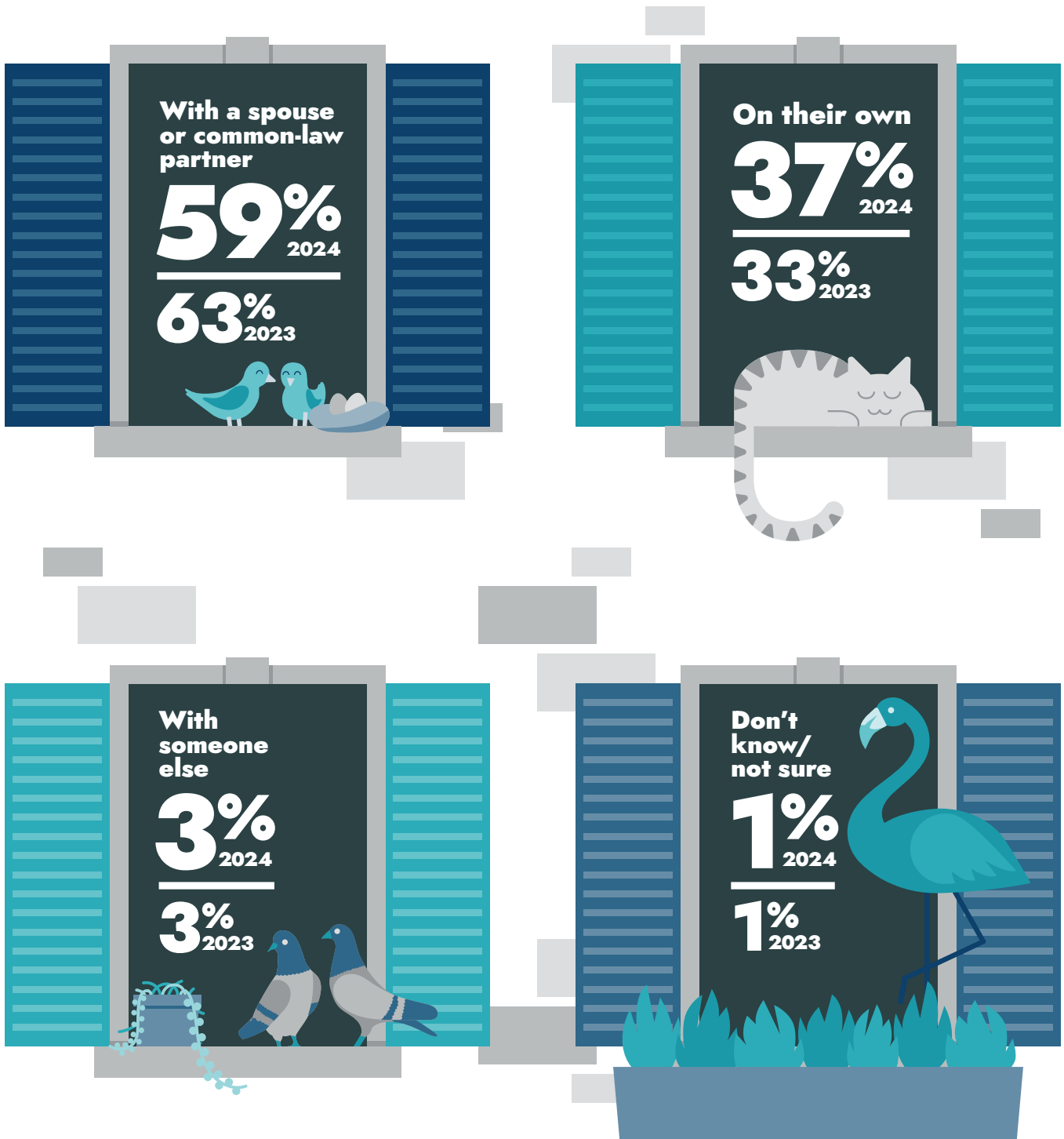
**Time living in Canada**

|           |      |             |      |           |      |
|-----------|------|-------------|------|-----------|------|
| 39%       | 56%  | 28%         | 18%  | 33%       | 25%  |
| 2023      | 2024 | 2023        | 2024 | 2023      | 2024 |
| <10 years |      | 10-19 years |      | 20+ years |      |

Q6. [All respondents, n=538] Will the home you purchase be: Your first time purchasing a home / Not your first time purchasing a home.

## Purchasing on their own or with a spouse

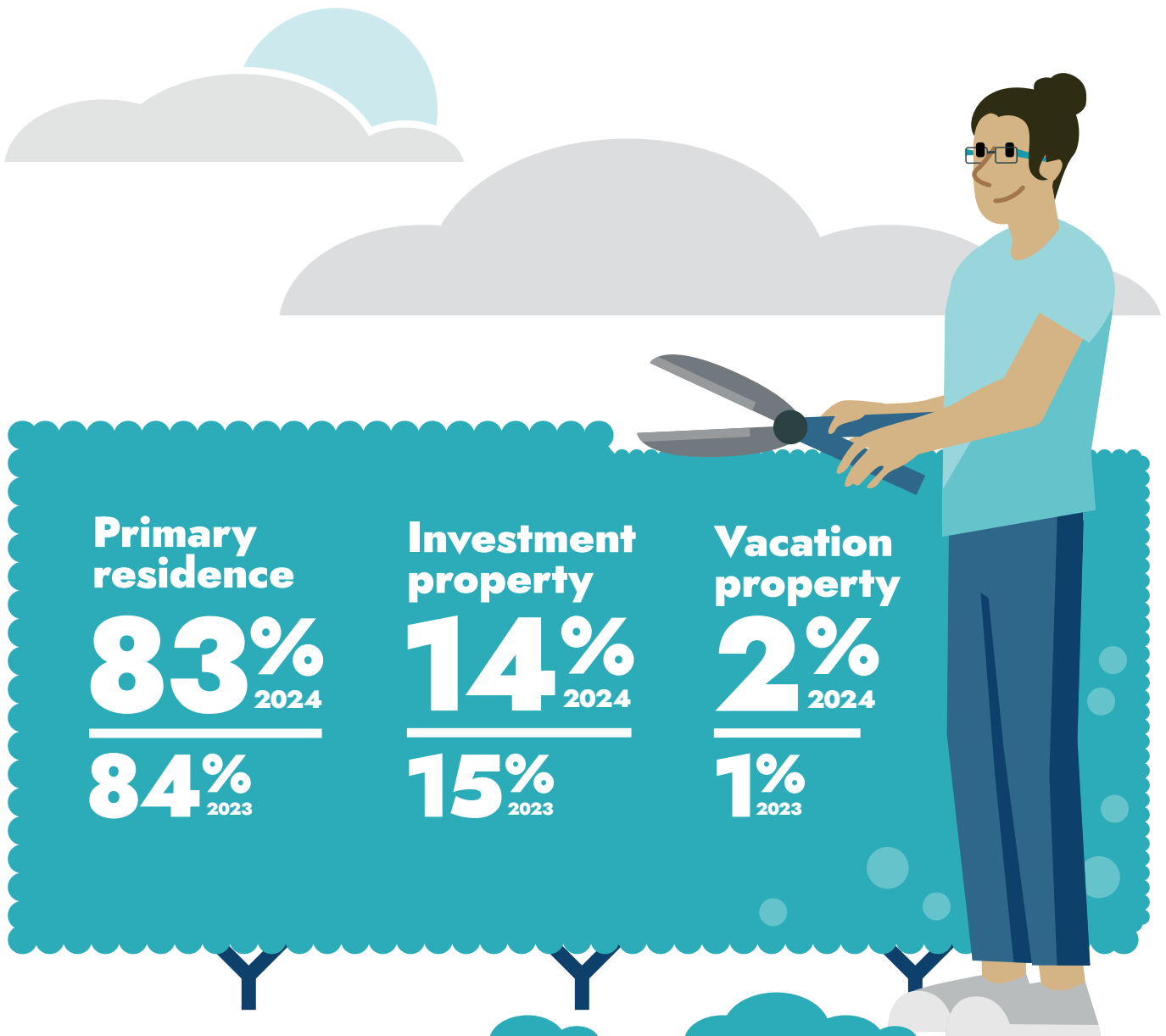
Nearly six in ten (59%) respondents say they plan to purchase their next home with their spouse or common-law partner, while nearly four in ten (37%) say they're buying on their own. A small number (3%) say they're planning to buy a home with someone else.



Q10. [All respondents, n=538] Will you be purchasing your home ...

## What are Ontario’s new home buyers looking for, and where?

Similar to the 2023 report, this year’s survey found that most (83%) respondents intend to use their new home as their primary residence, and only 14% plan to use the home as an investment property.



Q9. [All respondents, n=538] Will you be purchasing your home as...

## Detached homes are still the most preferred, but suburban areas decline in popularity

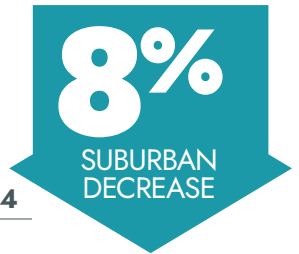
Fully detached homes remain survey respondents' most-considered type of home (69%), with a slight increase compared to the previous year. While interest in semi-detached and townhomes or row houses remains flat year over year, interest in condos dropped by five percentage points from 32% to 27% in the past year.

Despite the apparent preference for more space, consideration of suburban areas has declined significantly in the past year. Suburban areas decline from the most preferred community type to the number two spot, with a decrease from 57% to 49%. Urban areas are now respondents' most considered location at 55%, which is nearly unchanged from last year (56%). Small towns (17%), ex-urban areas (14%) and rural communities (8%) trail the pack.

These shifts likely reflect consumers' focus on affordability, but work-life balance may also be a factor. As many workplaces have implemented back-to-office mandates, some home shoppers may be reconsidering the financial and lifestyle implications of a commuter lifestyle.

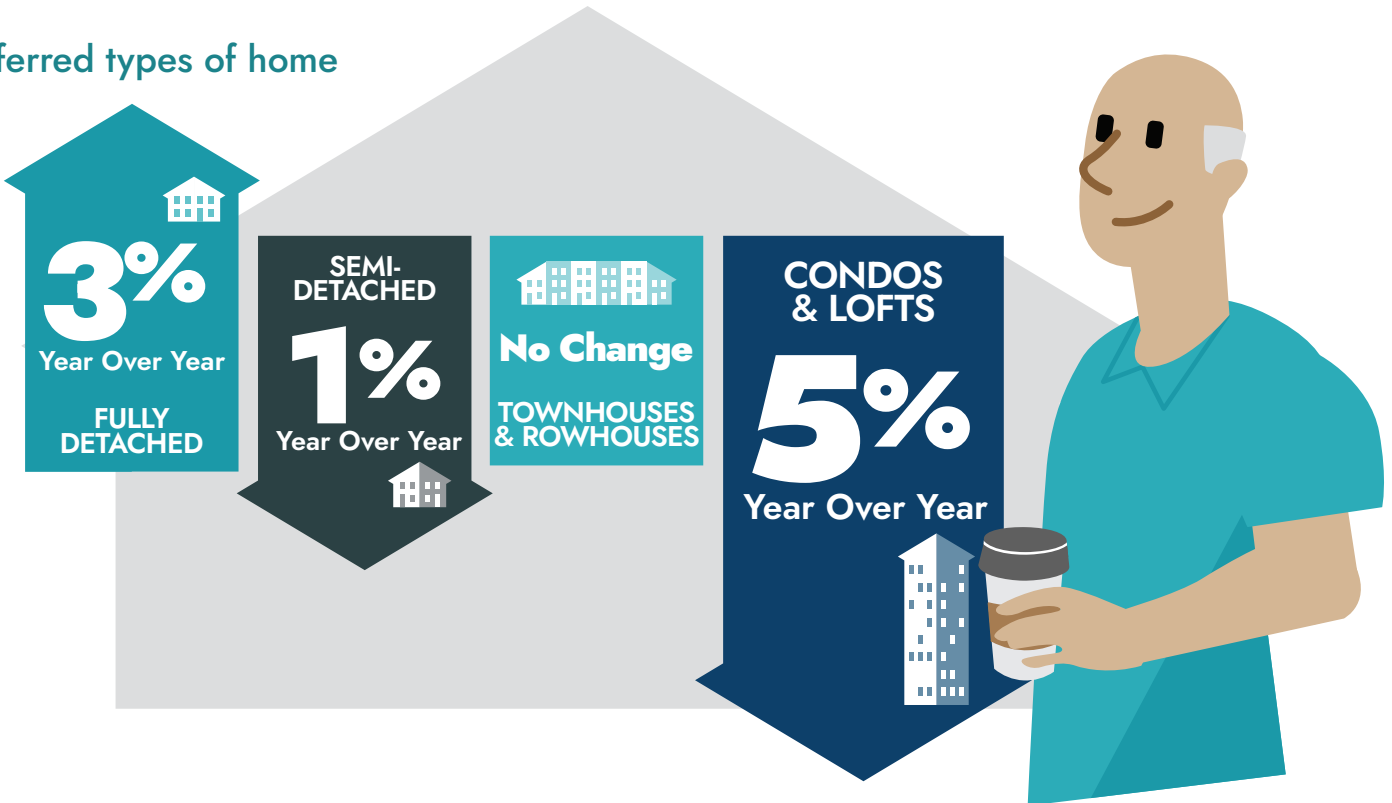
### Preferred types of communities

|       |             |          |             |            |             |         |             |       |             |          |             |
|-------|-------------|----------|-------------|------------|-------------|---------|-------------|-------|-------------|----------|-------------|
| 56%   | <b>55%</b>  | 57%      | <b>49%</b>  | 15%        | <b>17%</b>  | 12%     | <b>14%</b>  | 9%    | <b>8%</b>   | <1%      | <b>2%</b>   |
| 2023  | <b>2024</b> | 2023     | <b>2024</b> | 2023       | <b>2024</b> | 2023    | <b>2024</b> | 2023  | <b>2024</b> | 2023     | <b>2024</b> |
| Urban |             | Suburban |             | Small town |             | Exurban |             | Rural |             | Not sure |             |



Q8. [All respondents, n=538] What type of community are you considering purchasing a home in? [MULTI-SELECT]

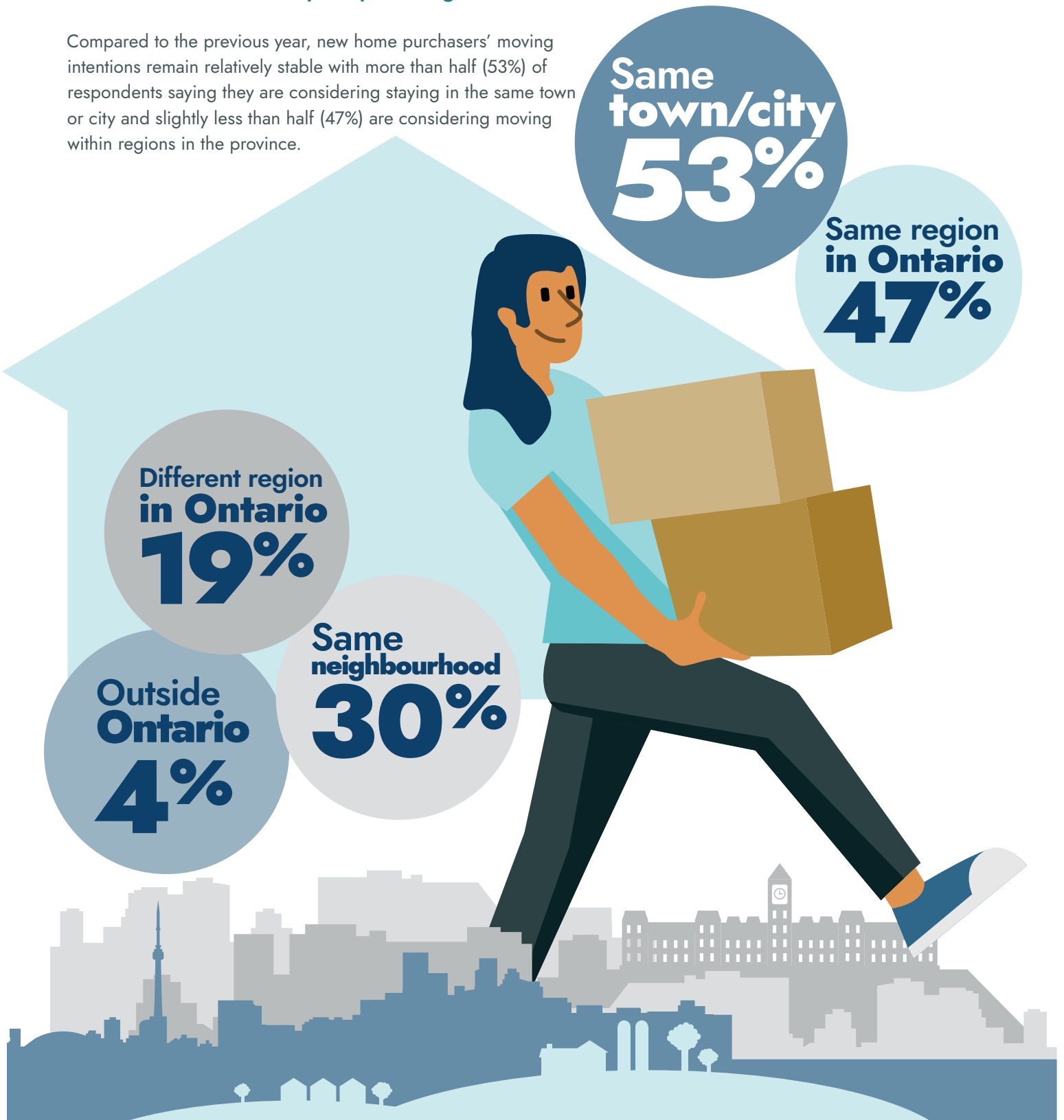
### Preferred types of home



Q7. [All respondents, n=538] Which of the following types of homes are you considering purchasing? [MULTI-SELECT]

## How far are home buyers planning to move?

Compared to the previous year, new home purchasers' moving intentions remain relatively stable with more than half (53%) of respondents saying they are considering staying in the same town or city and slightly less than half (47%) are considering moving within regions in the province.



Q5B. [All respondents, n=538] Which of the following locations are you considering for the home you are planning to purchase? [MULTI-SELECT]

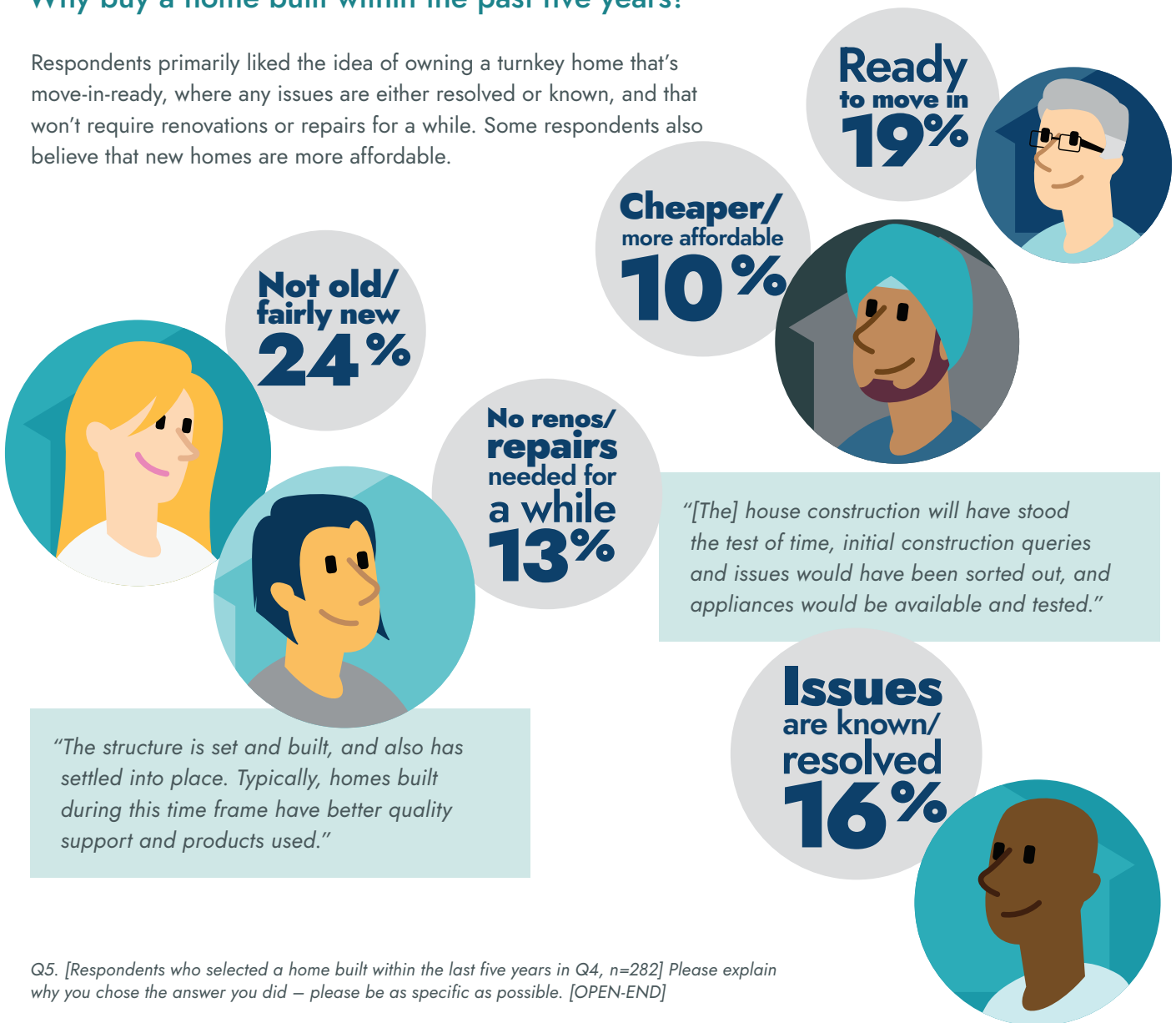
# Key decision factors in the new home purchase

As mentioned previously in this report, home purchase intenders who responded to the survey showed a preference for homes built within the past five years over a pre-construction home, with half (52%) saying that a newly built home gives them the greatest peace of mind.

Interestingly, among buyers considering both new and pre-construction homes, this year saw an increase in the appeal of not needing renovations or repairs right away, and a perception that newer homes are more affordable than older homes.

## Why buy a home built within the past five years?

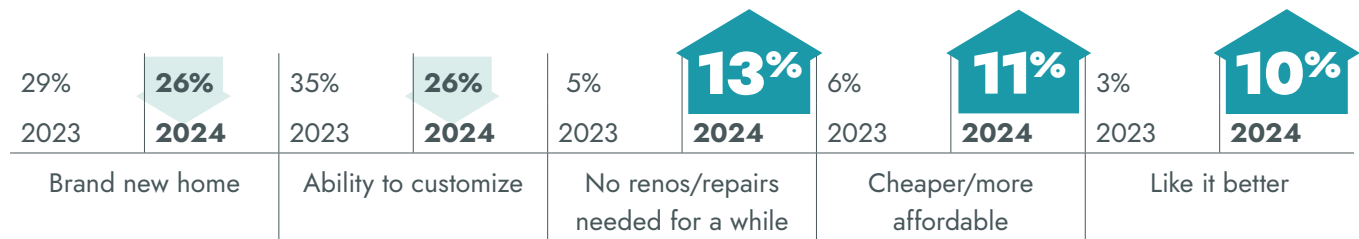
Respondents primarily liked the idea of owning a turnkey home that's move-in-ready, where any issues are either resolved or known, and that won't require renovations or repairs for a while. Some respondents also believe that new homes are more affordable.



Q5. [Respondents who selected a home built within the last five years in Q4, n=282] Please explain why you chose the answer you did – please be as specific as possible. [OPEN-END]

## Why buy pre-construction?

According to the survey, respondents who feel a pre-construction home would give them the most peace of mind are primarily attracted to the idea of having a brand new home that they can customize to suit their tastes. Similarly to buyers who prefer a home that’s less than five years old, pre-construction home shoppers also like not having to manage renovations or repairs for a while and believe that pre-construction homes are more affordable.



*“Buying new and pre-construction homes offer similar benefits, but with a few key differences. Some buyers prefer having a turnkey home that they can move into right away, but others are willing to wait out the construction period in order to be able to choose their own finishes and upgrades to create the new home they want.”*

Peter Balasubramanian, President and CEO, Tarion

## What survey respondents said:

*“I would prefer a pre-construction so that we have [some] control of the build. We know what goes into it and that the job is done (hopefully) correctly. There will be no surprises to uncover (ex. foundation issues) as there would be with an older home.”*



*“I would be able to verify that everything is up to date and currently meeting all building codes and requirements as it is being constructed.”*

Q5. [Respondents who selected a pre-construction home in Q4, n=175] Please explain why you chose the answer you did – please be as specific as possible. [OPEN-END]



## Top factors in the home purchase

Consistent with 2023 findings, this year’s survey respondents indicated that price (98%), size (96%) and style or design (92%) are top factors when shopping for a new or pre-construction home. Energy efficiency of the home (92%) and appliances (91%) were also top considerations, which highlights the significance of ongoing energy costs for home buyers in a time when living expenses are top of mind.

Consumer protection factors like the builder’s reputation (90%) and warranty protection (88%) fall in the middle of the list but are still noted as significant factors.

Lifestyle considerations, such as having a yard or private outdoor space (89%) and the potential to have a home office (71%) ranked lower but were still considered important. Interestingly, although 83% of survey respondents said they plan to use their home as their primary residence, more than half (54%) indicated that they liked having the option to rent part or all of it as an additional source of income.

|   |      | Very important | Somewhat important | Net important |
|---|------|----------------|--------------------|---------------|
| <b>Price</b>                              | 2024 | <b>79%</b>     | <b>19%</b>         | <b>98%</b>    |
|   | 2023 | 75%            | 22%                | 98%           |
| <b>Size</b>                               | 2024 | <b>65%</b>     | <b>31%</b>         | <b>96%</b>    |
|   | 2023 | 64%            | 34%                | 98%           |
| <b>Energy Efficiency</b>                  | 2024 | <b>57%</b>     | <b>35%</b>         | <b>92%</b>    |
|   | 2023 | 61%            | 35%                | 96%           |
| <b>Style/design</b>                       | 2024 | <b>54%</b>     | <b>38%</b>         | <b>92%</b>    |
|   | 2023 | 56%            | 39%                | 94%           |
| <b>Energy Efficiency (appliances)</b>     | 2024 | <b>50%</b>     | <b>41%</b>         | <b>91%</b>    |
|   | 2023 | 51%            | 43%                | 92%           |
| <b>Builder’s reputation</b>               | 2024 | <b>51%</b>     | <b>39%</b>         | <b>90%</b>    |
|   | 2023 | 54%            | 38%                | 92%           |
| <b>Private yard/outdoor space</b>         | 2024 | <b>58%</b>     | <b>32%</b>         | <b>89%</b>    |
|   | 2023 | 59%            | 31%                | 90%           |
| <b>Home builder’s warranty protection</b> | 2024 | <b>53%</b>     | <b>34%</b>         | <b>88%</b>    |
|   | 2023 | 55%            | 36%                | 91%           |
| <b>Potential to work from home</b>        | 2024 | <b>39%</b>     | <b>31%</b>         | <b>71%</b>    |
|   | 2023 | 41%            | 32%                | 72%           |
| <b>Potential to rent all/part</b>         | 2024 | <b>27%</b>     | <b>26%</b>         | <b>54%</b>    |
|   | 2023 | 27%            | 31%                | 58%           |

Q14. [All respondents, n=538] How important are each of the following as considerations to you when shopping for a home?

# The new home buyer’s journey in 2024: a snapshot

A home purchase is more than an investment; it’s a decision that shapes the next chapter of your life. When asked about the steps they’ve taken in preparation for this next big move, participants provide an inside view of the new home buyers’ journey in today’s marketplace.

Survey respondents most commonly report having looked at home listings (57%), consulted with a financial professional (49%) or real estate agent (46%), followed by researching builders (36%), visiting showings (31%) and securing a mortgage pre-approval (29%). Less frequently completed steps include visiting pre-construction sites or showrooms (26%) and meeting with a real estate lawyer (17%).

## Steps taken to prepare for a home purchase

|  |      |            |
|--|------|------------|
| <b>Online home listings</b>                      | 2024 | <b>57%</b> |
|  | 2023 | 60%        |
| <b>Consult with a financial professional</b>     | 2024 | <b>49%</b> |
|  | 2023 | 53%        |
| <b>Met with a real estate agent</b>              | 2024 | <b>46%</b> |
|  | 2023 | 50%        |
| <b>Researched builders</b>                       | 2024 | <b>36%</b> |
|  | 2023 | 39%        |
| <b>Going to showings of homes for sale</b>       | 2024 | <b>31%</b> |
|  | 2023 | 30%        |
| <b>Received a mortgage pre-approval</b>          | 2024 | <b>29%</b> |
|  | 2023 | 31%        |
| <b>Visit pre-construction sites or showrooms</b> | 2024 | <b>26%</b> |
|  | 2023 | 28%        |
| <b>Met with a real estate lawyer</b>             | 2024 | <b>17%</b> |
|  | 2023 | 14%        |
| <b>None of the above</b>                         | 2024 | <b>4%</b>  |
|  | 2023 | 3%         |

### Buying a new home?

Find important tips for new home buyers on page 19 of this report, or in the [Homeowner Resources and Learning Hub at Tarion.com](#).



Q13. [All respondents, n=538] Which of the following activities have you done in preparation for purchasing your new home? [MULTI-SELECT]

## How home buyers are researching builders

The majority (90%) of respondents stated that a builder’s reputation is an important factor in a new home purchase. However, at the time of the survey, fewer than half of this group had taken steps to check their builder’s track record. Survey respondents’ top five sources for checking a builder’s reputation are general internet searches (49%), a real estate agent (45%), family, friends or colleagues (42%) other owners in the neighbourhood (36%) and the Ontario Builder Directory (29%).

|   |      |               |
|---|------|---------------|
| <b>Internet</b>                             | 2024 | <b>49%</b>    |
|   | 2023 | 54%           |
| <b>Real estate agent</b>                    | 2024 | <b>45%</b>    |
|   | 2023 | 45%           |
| <b>Friends, family or colleagues</b>        | 2024 | <b>42%</b>    |
|   | 2023 | 45%           |
| <b>Owners in the neighbourhood</b>          | 2024 | <b>36%</b>    |
|   | 2023 | 37%           |
| <b>Ontario Builder Directory</b>            | 2024 | <b>29%</b>    |
|   | 2023 | 37%           |
| <b>Social media reviews</b>                 | 2024 | <b>30%</b>    |
|   | 2023 | 30%           |
| <b>Better Business Bureau listing</b>       | 2024 | <b>29%</b>    |
|   | 2023 | 28%           |
| <b>Builder references</b>                   | 2024 | <b>28%</b>    |
|   | 2023 | 24%           |
| <b>HomeStar reviews</b>                     | 2024 | <b>22%</b>    |
|   | 2023 | 29%           |
| <b>Interviewing builder representatives</b> | 2024 | <b>16%</b>    |
|   | 2023 | 16%           |
| <b>Other</b>                                | 2024 | <b>&lt;1%</b> |
|   | 2023 | 1%            |
| <b>Don't know/not sure</b>                  | 2024 | <b>2%</b>     |
|   | 2023 | 3%            |
| <b>None/not planning to look into it</b>    | 2024 | <b>2%</b>     |
|   | 2023 | 2%            |

### Tarion Tip

Considering a pre-construction home? Check the [Ontario Builder Directory](#), which is managed by the Home Construction Regulatory Authority, to make sure that the builder is licensed to build and sell homes in Ontario and find out whether they have a record of regulatory actions.



Q15. [Respondents who stated reputation of the builder is very/somewhat important, n=485] You mentioned that the reputation of the home builder is important. Which of the following sources have you investigated or plan to investigate to learn about the reputation of any home builders? [MULTI-SELECT]

# The market will change; in the meantime, get ready

Looking to the future, economic experts are forecasting that interest rates will likely decrease in the year ahead, although there is no sound prediction on when market conditions will change.

For some would-be home buyers who have put their plans on pause, this additional waiting time may be frustrating. At Tarion, we encourage consumers to put this time to good use by getting familiar with the new home warranty offered by your builder, the warranty coverage and process, and how Tarion can assist, if needed.



# Tips for home buyers

Learn about the new home warranty program as you get ready for new home ownership.

After you finalize the sale, [register your purchase agreement online](#) with Tarion.

## Buying a pre-construction home?

- Shop around. Consider lots of different new construction developments and builders.
- Make sure your builder is licensed by checking the [Ontario Builder Directory](#) online.
- Get help from a real estate or condo lawyer to review your purchase agreement before you sign.
- Understand how much of your deposit is protected in case the sale isn't completed.
- Know how much coverage you have in case of construction delays.
- Know what types of issues to look for during your Pre-Delivery Inspection (PDI).
- Learn more about the warranty coverage that's available after your home is completed.

## Buying a condominium?

- Ensure you receive the [Condominium Authority of Ontario's Buyer's Guide](#) from your developer. As a pre-construction condo buyer, you have a 10-day cooling-off period to rescind your agreement of purchase and sale that starts when you receive the agreement, your disclosure statement and this guide.

## Buying a home that's less than seven years old?

- Contact Tarion to confirm that your home is registered in the warranty program.
- Review the warranty coverage available to you and learn how the claims process works.
- Sign up for Tarion's [MyHome portal online](#) to easily manage warranty claims, stay on top of important deadlines and reach out to Tarion for assistance if you need it.



# Appendix:

## Ontario's new home warranty program

### What the warranty program covers

#### Before you move in

Deposit protection in case the sale is not completed, up to specific limits based on the type and price of the home

Coverage for delays beyond the dates specified in your purchase agreement documents

#### After you move in

##### 1 Year

from the date of possession or occupancy

- > **Requires** that a home is constructed in a workman-like manner and free from defects in material
- > **Protects** against Ontario Building Code violations
- > **Protects** against unauthorized substitutions
- > **Requires** the home to be fit for habitation

##### 2 Years

after the date of possession or occupancy

- > **Protects** against water penetration through the basement or foundation walls
- > **Protects** against defects in work or materials that result in water penetration into the building envelope

- > **Covers** defects in work or materials that result in the detachment, displacement or deterioration of exterior cladding (such as brickwork, aluminum or vinyl siding)
- > **Covers** defects in work or materials in the electrical, plumbing and heating delivery and distribution systems
- > **Protects** against violations of the Ontario Building Code that affect health and safety

##### 7 Years

from the date of possession or occupancy

Covers major structural defects that:

- 1) **Result** in failure of a structural load-bearing element of the building
- 2) **Materially & adversely** affect the ability of a structural load-bearing element of the building to carry, bear and resist applicable structural loads for the usual and ordinary service life of the element

# Roles and responsibilities



## Builder

Your builder is responsible for delivering the well-built home you were promised. In case of delays, cancellations, or construction defects, it's your builder's job to address them through their warranty.

Specifically, the builder is responsible for:

- Ensuring that the vendor and builder of the home are each licensed by the Home Construction Regulatory Authority (HCRA)
- Obtaining approval/qualification for enrolment from Tarion for the homes they intend to sell, enrolling the homes they intend to build and abiding by the terms and conditions of such approvals
- Ensuring that a home is built in accordance with Ontario's Building Code, is fit for habitation and is free from defects in work and materials and major structural defects
- Providing the homeowner with information about their warranty coverage at the time of purchase
- Conducting a pre-delivery inspection (PDI) with the homeowner on or before the closing date and explaining how the home's various systems work
- Providing the homeowner with a warranty certificate upon their home's completion which indicates when the new home warranty takes effect
- Being reasonably accessible to the homeowner to address customer service issues, including investigating issues with the home to determine if they are covered by the warranty
- Resolving valid warranty requests in a timely manner by performing repairs or offering an acceptable alternative resolution



## Homeowner

Buying a newly built home means understanding your home warranty. Find out what your builder's warranty covers and how to make a claim if you need to. This starts with some upfront legwork before you sign a contract.

Specifically, as a homeowner, you're expected to:

- Understand your home's warranty coverage and the process for making warranty service requests and claims
- Participate in the pre-delivery inspection (PDI) by identifying incomplete, damaged or missing items and learning how to operate the home's systems
- Properly maintain the home
- Bring any warranty service requests to the builder's attention in writing as soon as possible
- Provide the builder with reasonable access to the home to investigate and address warranty service requests
- If warranty assistance is needed from Tarion, submit the claim to Tarion within the appropriate timelines and with sufficient detail

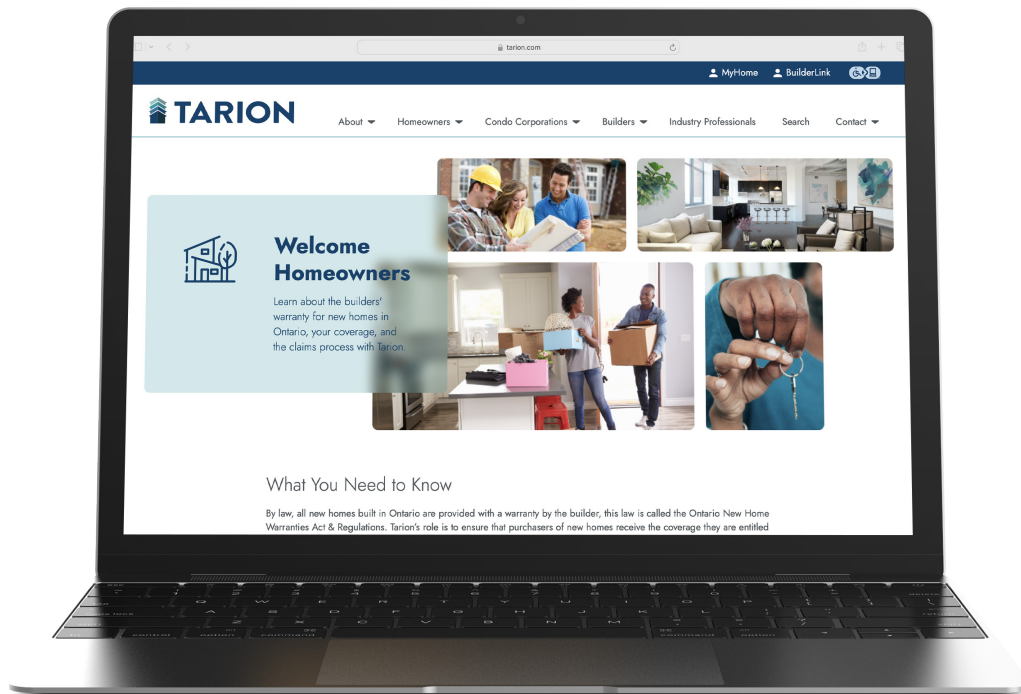
# Roles and responsibilities



## Tarion

- Assisting in the fair resolution of disputes between homeowners and builders over warranty coverage, repairs or customer service
- Assessing warranty claims to determine if they are valid, either through an on-site inspection or an alternative method of investigation
- In cases where a builder fails to address a valid warranty claim, resolving the claim directly with the homeowner
- Managing a Guarantee Fund that provides compensation to the homeowner for warranty claims
- Educating new homeowners and builders about the warranty process
- Working proactively, through targeted inspections and the monitoring of customer service performance, to encourage improved building quality and customer service in the province

**Learn more about Tarion and the new home warranty program at [Tarion.com](https://www.tarion.com)**







## We're here to help



[Tarion.com](https://www.tarion.com)



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