

ARE YOU SELLING AN ILLEGALLY BUILT HOME?

It's the dirty little secret of the new home construction industry. It infuriates honest builders, costs Tarion Warranty Corporation millions of dollars in unnecessary claims and burdens the provincial and federal governments with lost tax revenues and claims to the Workplace Safety and Insurance Board. It's also catching real estate agents off guard.

The issue is illegal building and it's a problem that is escalating across the province. And what you might not know is this: real estate agents who sell a home that has not been enrolled with Tarion can be fined and convicted under the *Ontario New Home Warranties Plan Act*. Has the house you are about to sell been previously occupied? If not, that's an indication that you need to do your research.

New home builders who are not registered to build in Ontario and don't bother to enrol the homes more than likely will not let new homeowners know about the seven-year warranty they are entitled to under the law. This could be worth up to \$300,000 to the homeowner. So why would a builder flout the *Act* and deny homeowners this right? They either don't want the buyer to know about the warranty so they don't have to fix warranted items, or they don't want to get caught building illegally. Both are bad news stories for your customers.

Illegally built homes often do not meet Ontario Building Code standards. They may be constructed with inferior materials installed by unqualified trades. They could even contain stolen appliances and fixtures. New homeowners need to trust that their builder has the ability to fulfill their contracts and satisfactorily complete their home.

Ensure the builders you work with are legitimate by simply visiting the Tarion website at www.tarion.com and clicking on the "Find a Builder" icon. Ask the builder for an enrolment number and be suspicious if he or she is reluctant to provide it. Legitimate builders will freely discuss the province's mandatory new home warranty program. If you are in any doubt, that the new home you are selling is enrolled with Tarion, call at 1-877-9TARION and ask for the Enforcement Department.

Dave Roberts, Director of Enforcement at Tarion, and his team of investigators are in the field every day, working with municipalities, building officials, the Ministry of Labour and Home Builders' Associations to uncover builders who haven't registered or enrolled their homes with Tarion. They follow up on leads they get from building inspectors and contractors as well as suppliers. By uncovering builders that break the law, they help keep the entire new home building industry on a solid foundation.

Tarion is a private corporation that protects new home and condominium buyers according to the terms of the *Ontario New Home Warranties Plan Act*. The Act requires that builders in Ontario provide warranty coverage to home buyers and it stipulates that they must register with Tarion and enrol every housing unit prior to the start of construction. Tarion is responsible for enforcing the Act and managing a guarantee fund to ensure that the builder's warranty will be honoured.



[/tarionwarrantycorp](https://www.facebook.com/tarionwarrantycorp)

