Ministry of Government and Consumer Services

Ministère des Services gouvernementaux et des Services aux consommateurs



Office of the Minister

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His Worship Maurizio Bevilacqua Mayor City of Vaughan 2141 Major Mackenzie Drive Vaughan, ON L6A 1T1

Dear Mayor Bevilacqua:

Thank you for your letter about pre-construction condominiums and the feasibility of a multi-provider insurance model for new home warranties and protections. I appreciate your interest in our consultations and welcome the opportunity to respond.

The ministry values the input of municipalities and has taken steps to include them as a part of these discussions. It is my understanding that ministry staff have reached out to the City of Vaughan to arrange a meeting. I also presented to the Association of Municipalities of Ontario on April 18, 2019 as a part of these consultations.

Our government is aware of the issues surrounding the cancellation of condo projects and the effects they can have on new homebuyers. Work is already underway to address this. We have asked Tarion to initiate the following consumer protection enhancements within the next six months to better inform and protect purchasers of cancelled condo projects:

- updating Tarion's Ontario Builder Directory to include information about developers with a history of condo project cancellations, expected to be done sometime around the end of the summer
- developing options to require developers to post information about their condominium development projects on their websites (e.g., information about outstanding approvals or other matters that could cause a project to get cancelled)
- working with the Condominium Authority of Ontario to educate prospective buyers about the condo purchase process
- improving information collection on new pre-construction condo projects.



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I have also asked Tarion to make changes to its addenda to agreements of purchase and sale for condo buyers within the next 12 months to enhance disclosures for consumers about the risks of purchasing pre-construction condos. This would include matters that could cause a project to get cancelled, such as outstanding approvals, project financing or restrictive covenants on title.

Our government will also continue to explore longer term measures to further protect pre-construction condo buyers. We understand that this is a complex issue and that improving protection for consumers will require the input of multiple areas of government.

Once again, thank you for writing and please accept my best wishes.

Sincerely,

Bill Walker Minister

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OFFICE OF THE MAYOR CITY OF VAUGHAN