

Bill proposed for greater transparency of Tarion's builder records

Categories : [Newly built homes](#), [Rebate Blog](#)

The Government-created corporation protecting [new home buyers](#), Tarion, may become more transparent if recently proposed legislation passes.

In December, Queen's Park tabled a bill that would require the private corporation to provide details about home builders and their track records. The Tarion Accountability and Oversight Act bill was tabled by NDP MPP Jagmeet Singh. It was proposed last November, but it was tossed when the provincial election was called.

This bill comes after an [investigation by the Toronto Star](#) in July 2013, which found that between 2009 to 2013, Tarion recovered \$30 million from developers, but their records of poor or incomplete work weren't publically available. Homeowners are unable to find out which builders were covered by Tarion's warranty program and since the company doesn't receive government funding, records can't be accessed by a freedom-of-information request and they don't fall under the auditor general's purview.

But there's been concerns raised over the past few years with the Ontario ombudsman receiving almost 300 complaints about the warranty corporation, according to the *Star*. Since the company receives most of its funding from warrantee enrolment fees, which is typically passed on as a cost to Ontario homebuyers of newly built homes, their funding could be similar to that of a tax, MPP Singh told the *Star*. The auditor general's office also expressed support for a review of the company.

If you're looking into a newly built home, you should thoroughly research the builders of your property. According to the *Star*, Tarion does offer a database of licensed builders, which has information about the number of times inspectors discovered incomplete work by the builder and the amount of compensation homeowners received. But these records lack detail about the issue discovered, such as whether it was a small cosmetic change or a larger structural issue. Besides looking at this database and checking with the Better Business Bureau, homebuyers should obtain references from builders and go through the legwork of chatting with them and seeing the builder's work, if possible.

The homeowner's [pre-delivery inspection](#) of a newly built home is a critical step in ensuring that the work done to your property is done well. If you've detailed any issues to your home, Tarion will work with the builders to ensure that work is complete or decide upon a settlement.

It's important that before you have moved in that you detail any issues to your interior, [exterior](#) and [systems](#) since this way it's clear the issue was present before moving in.

Homeowners of newly built homes and condos can receive a maximum coverage amount of \$300,000. Their warranty also covers "damage caused by environmentally harmful substances or hazards" and septic systems. Common elements of condos are also covered by Tarion for up to \$50,000 per unit, up to a maximum amount of \$2.5 million.

Homeowners of newly built homes could recoup some of their cost with an [HST rebate](#) claim to the CRA. Rebate4U prioritizes providing our clients with the most professional and quality service in obtaining rebates for their new and renovated homes. We are proud to offer our clients the most personal and attentive service, and we make sure that all of our clients are 100% satisfied.