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Time for politicians to step up to the plate

Election is opportunity to tackle issues

It's election time, and that provides the opportunity for the political parties to take a stand for consumer protection in the real estate field in Ontario. Sadly, real estate consumers have suffered under the current government and it's now time for the three major parties to declare how they would remedy the problems if elected.

Here are some areas which have been neglected under the Mike Harris and Ernie Eves governments, which require urgent attention:

Timeshare ownership: Under Ontario law, there is virtually no regulation of the sale of timeshare interests (also known as interval ownerships). This multi-million-dollar industry is often characterized by high-pressure sales tactics. A 10-day cooling-off period was enacted by the Consumer Protection Act 2002, but has not been proclaimed into law. That law would also protect consumers from getting zapped by artificially low price quotes in future performance contracts such as furniture moving or home renovations.

Regulation of paralegals: In the face of a badly-flawed report by retired Supreme Court Justice Peter Cory three years ago, the Ontario government has yet to take action to regulate the activities of paralegals. Consumers who hire paralegals currently do not have the protection of trust fund reporting requirements, mandatory errors and omissions insurance, guaranteed minimum education standards, or a compensation fund for misappropriations.

Nuisance protection: The people who now live along the Toronto waterfront have no protection from the horrendous noise of the Island Airport, the Molson Indy, raucous party boats, and the Canadian International Air Show. It's about to get a lot worse if a fixed link bridge opens the door to jets on our waterfront. If the government won't protect the downtowners from the racket with legislation, maybe it's time for them to band together and sue.

Real estate fraud: I have written many columns about ordinary citizens who have had ownership of their homes stolen from them by forged title documents. These people have had to spend thousands of dollars on legal fees and then wait a year or two for government bureaucracy to crank out a cheque and restore their ownership. There's virtually nothing that homeowners can do to prevent this. Now, one innocent family is facing eviction from their home because a fraudster stole their title and defaulted on a mortgage the real owners knew nothing about.

This critical issue cries out for government action. The lengthy process to rectify title fraud should not take more than 30 or 60 days. In addition, a province-wide police task force should be set up to catch criminals behind title scams.

The Real Estate and Business Brokers Act. This new legislation was passed to bring the industry into the 21st century, but it has never been proclaimed into law. Why is the government taking so long to draft the regulations that will implement the new regime?

Municipal building inspectors: A number of municipalities have been, or currently are, the targets of lawsuits where homes which did not meet building codes were approved for occupancy. A province-wide crackdown on municipal building inspectors is in order.

Ontario New Home Warranty Program: I could fill volumes with the problems in the ONHWP regime, but at the heart is the fact that ONHWP should not be controlled by the building industry but by a broad-based board with a statutory mandate to run it in the public interest. The \$100,000 cap on damages is ridiculously inadequate. The prohibition on homeowners' rights to sue their builders should be repealed.

Pre-sales: Builders who back out of agreements when they sell "on spec" before a building permit is available or a plan of subdivision is registered should be subject to financial penalties. Consideration should be given to prohibiting presales before municipal approvals.

Disclosure in the sales office: Buyers of new homes and condominiums should receive disclosure of all extra costs, potential delays, the actual size of the home, the fact that they cannot obtain floor plans or rely on verbal statements made in the sales office, and that the builder can force them to accept a unit different from the one they thought they bought.

Honesty in new home agreements: Builders should be required by law to deliver the home or condominium unit they promised. Buyers should not be required to sue when the builder delivers a unit substantially different from the one promised in the sales office. The use of an industry-wide standard agreement form should be mandatory.

Property tax inequity: Toronto tenants in multi-unit buildings are exposed to property taxes four times that of single-family units of the same value. These taxes are, of course, reflected in the rents. Is it fair for a one-bedroom apartment assessed at \$80,000 to pay the same property tax as a condominium assessed at more than \$320,000? Provincial remedial action is required.

And my No. 1 pet peeve: Unlicensed builder sales staff. Roughly one-quarter of all new homes and condominiums in the Greater Toronto Area are sold by staff who have no requirement to be trained, educated, insured or regulated. A total of 50,000 to 55,000 homes are sold in the GTA annually. With one in four homes sold by unlicensed staff, roughly 13,000 consumers are buying \$4 billion in homes annually from untrained persons.

The fact that buyers of new homes do not receive the same statutory protection as resale buyers is scandalous.

There's lots of room for improvement in consumer protection in the real estate sector. Who will be first to step up to the plate - Ernie? Dalton? Howard?