

A person's hands are shown holding a small, detailed model of a house with a brown roof and blue walls. The background is a blurred workbench with various tools, including a yellow power drill, a blue wrench, and a red-handled screwdriver. The scene is overlaid with a semi-transparent blue banner containing text.

# Radon and Tarion's Warranty Coverage

Canadian National Radon Proficiency Program

April 24, 2018

# Who We Are and What We Do

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- Regulate and license new home builders in Ontario.
- Stand behind builders' statutory warranties.
- Create awareness about statutory warranty coverage.



# Licensing New Home Builders

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Every builder must be registered in order to build and sell a home.

Pre-registration education of seven core competencies.

Over 5,500 registered builders.



# The Warranty at a Glance

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- Coverage lasts for seven years from the date of occupancy.
- Ontario is the only province to include radon in its warranty coverage.
- Health Canada has set 200 Bq/m<sup>3</sup> as the safety limit for radon levels in a home – amounts in excess may be remediated under the warranty.

# Assessing a Radon Claim

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Homeowners must submit:

- Test results identifying average radon levels in basement (finished or unfinished, but not from crawl spaces),
- Details on test methodology, and
- Test measurements and results from a certified professional by the Canadian National Radon Proficiency Program (C-NRPP).



## Assessing a Radon Claim

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If radon levels exceed  $200 \text{ Bq/m}^3$  as determined by a long-term test, the claim will be warranted.



# Radon Coverage Limits

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Coverage limit of \$15,000 per home

Average claim is \$3,200

## Exclusions:

- Costs incurred to substantiate a radon claim.
- Personal injury/health issues caused by radon.
- Damage to personal property.



# Radon Across the Province



- Total number of cases is 52.

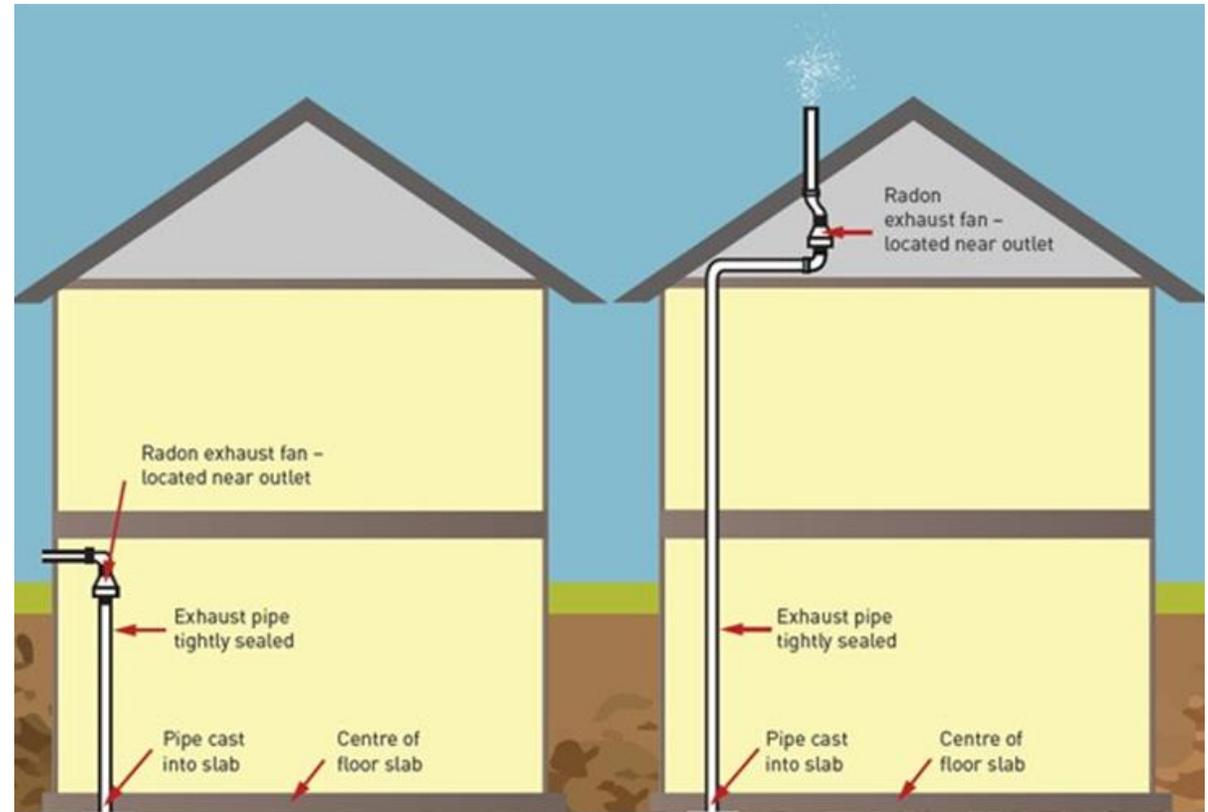
## Cost of Remediation by Tarion

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| Year         | Case(s)   | Claim Paid          |
|--------------|-----------|---------------------|
| 2011         | 1         | \$2,250.00          |
| 2012         | 1         | \$3,000.00          |
| 2013         | 7         | \$24,164.00         |
| 2014         | 10        | \$33,778.00         |
| 2015         | 16        | \$49,302.00         |
| 2016         | 9         | \$31,182.00         |
| 2017         | 4         | \$12,260.89         |
| <b>TOTAL</b> | <b>48</b> | <b>\$156,000.00</b> |

## Most Common Remediation Approach

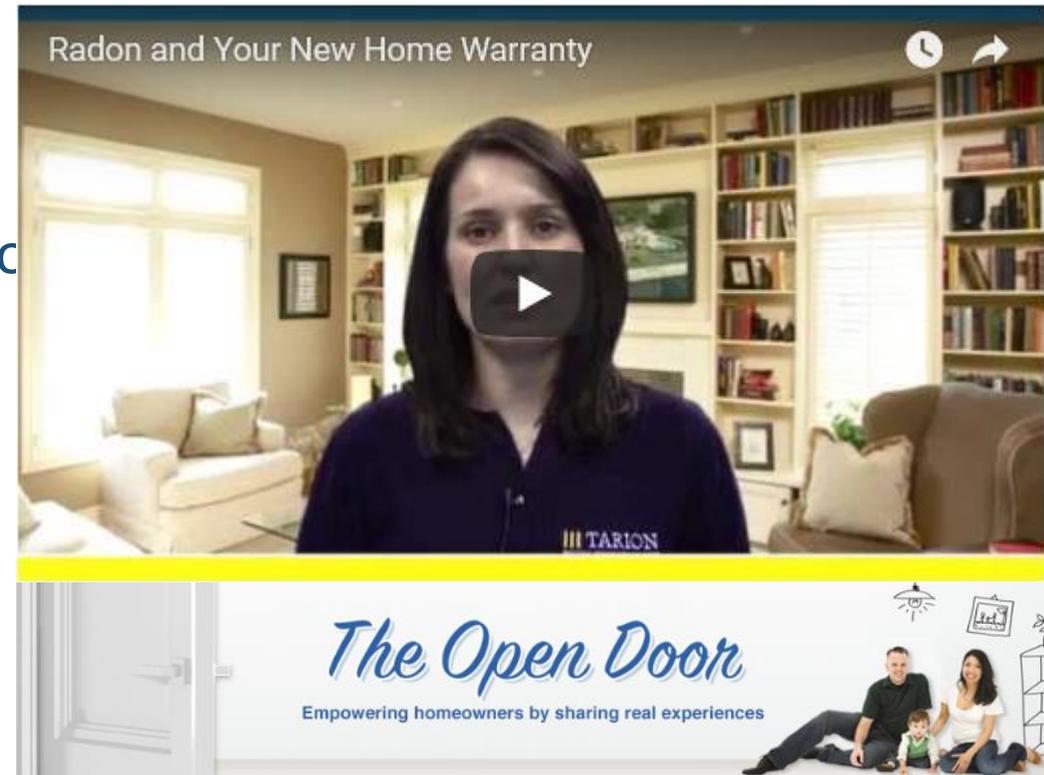
Typically we see a combination of sealing cracks and openings in the foundation along with sub slab depressurization.



# Radon and Tarion's Educational Resources

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- Consistent education.
- “Radon and your New Home Warranty” video
- Tarion's The Open Door Blog.
- Working closely with industry and municipalities.



# Radon and Tarion's Educational Resources

## RADON GAS & TARION'S WARRANTY COVERAGE

Over the last few years, exposure to radon gas as a potential concern for new home buyers has received heightened media attention. Health Canada issued a report in 2012 --- suggesting that up to 16% of lung cancer cases could be attributed to long term exposure to radon gas. Their Guideline levels were lowered in 2007 from 800 Bq/m3 to 200 Bq/m3.

Tarion has clarified the impact that radon issues would have on a home's warranty coverage. *If radon is found in a home in significant amounts, it will be covered by Tarion.* To assist Tarion employees in making consistent warranty decisions related to radon gas, a guideline has been developed when dealing with a potential radon-related claim. The reported defect must be that radon gas is in excess of Health Canada's acceptable levels of 200 Bq/m3, in order for it to be covered by Tarion. These guidelines account for the Ontario Building Code requirements for radon and soil gas control.

### Warranty Coverage for Radon Claims:

|                      |   |
|----------------------|---|
| 1 <sup>st</sup> Year | <ul style="list-style-type: none"> <li>Fit for habitation (if radon levels are &gt;200 Bq/m3);</li> <li>OBC Violations (if the home is not in compliance with 9.1.1.7, 9.13.4.1, or 9.13.4.2, <u>AND</u> radon levels are &gt;200 Bq/m3)</li> </ul> |
| 2 <sup>nd</sup> Year | <ul style="list-style-type: none"> <li>OBC Health and Safety (if the home is not in compliance with 9.1.1.7, 9.13.4.1, or 9.13.4.2, <u>AND</u> radon levels &gt;200 Bq/ m3);</li> </ul>   |
| Years 3 – 7          | <ul style="list-style-type: none"> <li>MSD coverage (if the home is not in compliance with 9.1.1.7, 9.13.4.1, or 9.13.4.2, <u>AND</u> radon levels &gt;200 Bq/ m3)</li> </ul>   |

A valid radon claim could potentially be covered by the 1<sup>st</sup> year warranty, under the 'fit for habitation' criteria or if the home is not in compliance with the OBC guidelines. It could also be potentially covered by the 2<sup>nd</sup> year warranty if the home does not meet the OBC guidelines. In addition, given the heightened

## RADON GAS & TARION'S WARRANTY COVERAGE

### What Warranty Limits Apply to Radon Claims?

Claims involving radon are limited in the following ways:

- Costs incurred to substantiate a radon claim are not covered;
- Personal injury / health issues caused by radon are not covered;
- Damage to personal property is not covered.

In addition radon claims paid by Tarion are limited by a financial cap. The financial cap on radon related claims is set out as follows:

*"...the maximum amount payable (...) for damage caused by environmentally harmful substances or hazards, deleterious substances, mould or any other fungal or bacterial contamination, is \$15,000 per home"*

This limit will apply to repairs to remediate a radon problem carried out by Tarion.

In order for a radon claim to be accepted, the homeowner must provide the following supporting material:

- Test results identifying average radon levels in basement (finished or unfinished, but not from crawl spaces);
- Identification of test methodology (short-term test: less than 3 months, or long-term test: minimum 3 months as per Health Canada's "Guide for Radon Measurements in Residential Dwellings (Homes)", and
- Test measurements and results from a certified professional by the Canadian National Radon Proficiency Program (C-NRPP).



**TARION**<sup>TM</sup>  
BUILDING CONFIDENCE



**Questions?  
&  
Thank you!**

