

September 17, 2026

The Honourable Stephen Crawford
Minister of Public and Business Service Delivery and Procurement
Home Construction and Licensing Policy Unit
222 Jarvis Street, 3rd Floor
Toronto, Ontario M5B 2B8

Delivered via email: newhomes@ontario.ca

Dear Minister Crawford:

Re: Disclosure of Municipal Development Charges in New Home Purchase Agreements

On behalf of the Toronto Regional Real Estate Board (TRREB) and our almost 70,000 members across the Greater Toronto Area (GTA), Simcoe County and beyond, I am writing in response to the Ministry of Public and Business Service Delivery and Procurement's consultation regarding the proposed disclosure of municipal development charges (DCs) in new home agreements of purchase and sale.

TRREB strongly supports the Government of Ontario's proposed direction. Purchasing a home is one of the most significant financial decisions an Ontarian will make, and consumers should have clear, timely, and readily understandable information regarding the costs associated with that transaction before they become legally bound to complete it.

As the Ministry's consultation paper acknowledges, development charges are a significant factor in the cost of new housing. While developers initially pay these charges, they typically pass the costs on to purchasers through the home's purchase price or as adjustments payable at closing. The Ministry also correctly notes that the various methods used to incorporate development charges into new home transactions can make it difficult for purchasers to understand the amount they are paying when entering into an agreement.

TRREB believes the Ministry should base the final regulatory framework on a simple consumer protection principle: when a government-imposed tax, fee, or charge makes a material contribution to the cost of a home, purchasers should be clearly informed of that cost before entering into the transaction.

Development Charges Should Be Disclosed Directly in the Agreement of Purchase and Sale

TRREB supports the Ministry's proposal to require builders to disclose the full amount of development charges (DCs) applicable to a new home when the agreement of purchase and sale (APS) is signed, both the amount applicable to the unit and the amount being passed on to the home buyer, and this should be clearly distinguished.

Where the final amount is not yet known, TRREB also supports requiring disclosure of an estimate based on the municipality's existing DC by-law, along with clear notice that the amount may change. This approach strikes an appropriate balance between consumer transparency and the practical reality that the final development charge may not always be determined when the agreement is executed.

Importantly, TRREB further recommends making the disclosure clearly and prominently within the APS itself. The Ministry is considering requiring disclosure in the “vendor” section of the APS, alongside key transaction details such as the purchase price. TRREB supports the principle underlying this approach.

The Province should not permit builders to satisfy the primary disclosure requirement to be met solely through an addendum, appendix, information sheet, or other supplementary document. New home purchase agreements often include numerous schedules and attachments, making them lengthy and complex. Placing a significant government-imposed cost in a secondary document could reduce the transparency the Ministry intends this reform to provide.

A well-established precedent already exists for placing important tax and transaction information directly in an APS. For example, the standard OREA/TRREB Agreement of Purchase and Sale, Form 100, expressly addresses the treatment of Harmonized Sales Tax within the principal agreement, alongside other important financial and transactional information. TRREB believes development charges should be treated in the same way. A purchaser should not have to review schedules, appendices, or ancillary documents to determine how much government-imposed charges contribute to the cost of the home they are purchasing.

Changes in Development Charges Should Be Communicated Promptly

TRREB supports requiring purchasers to receive updated information when development charges change after an APS is signed. Builders should notify purchases promptly and in writing of any material adjustment, identifying the originally disclosed amount, the revised amount, the resulting increase or decrease, and the reason for the change. Where reasonably available, supporting information should be provided to explain how the revised amount was calculated.

This disclosure is especially important when purchasers are responsible for some or all of the adjustment at closing. Unexpected increases in closing costs can significantly affect financing and cash flow. Purchasers should receive this information as soon as reasonable practicable, rather than shortly before closing.

Conclusion

In closing, TRREB supports the government’s proposed development charge disclosure initiative and recommends that development charges be clearly and prominently disclosed in the agreement of purchase and sale, with purchasers receiving the best available information at signing and timely updates where amounts change.

Thank you for the opportunity to provide TRREB’s comments on this important initiative. We would welcome the opportunity to discuss these recommendations with you and Ministry officials.

Sincerely,



Daniel Steinfeld
President

Cc: Honourable Peter Bethlenfalvy, Minister of Finance
Honourable Rob Flack, Minister of Municipal Affairs and Housing
Kim Fairley, President, Ontario Real Estate Association