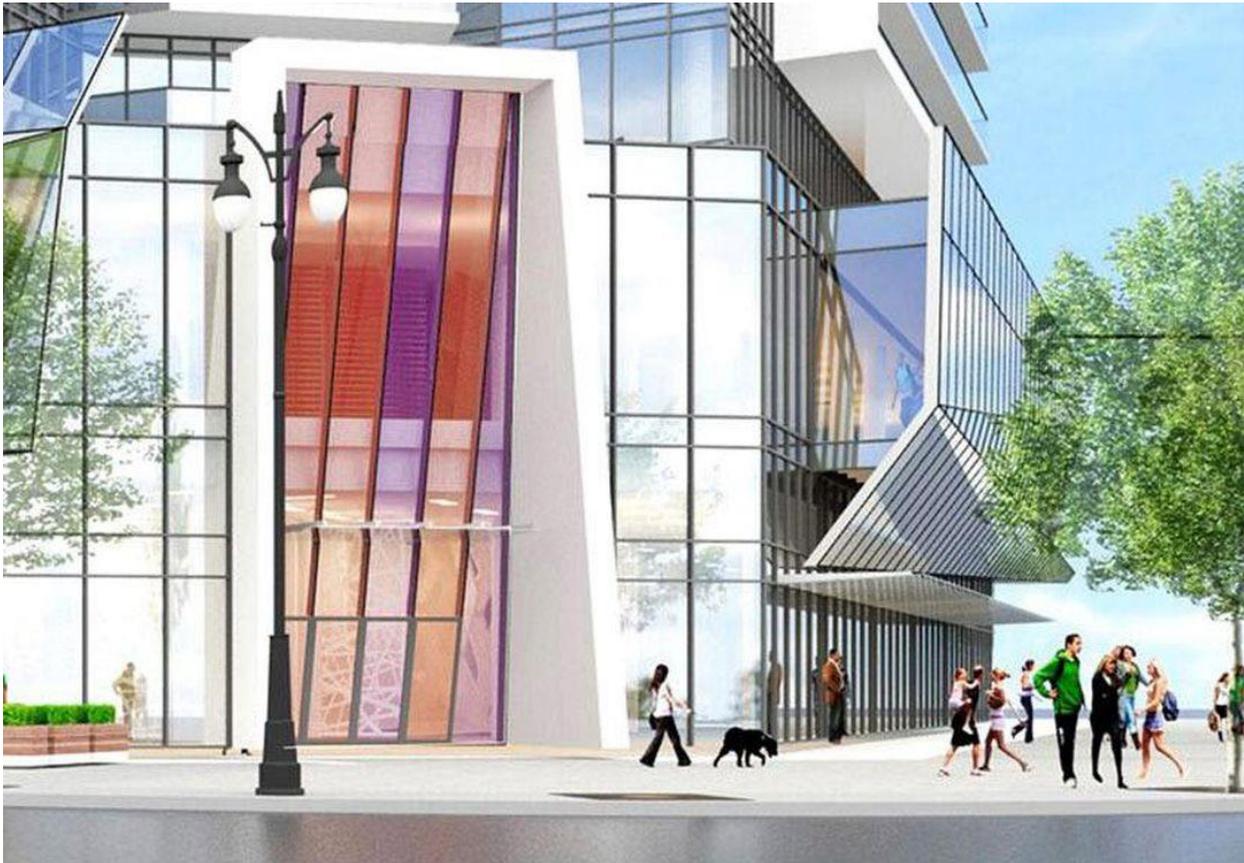


**Toronto Star**

## **Condo buyers call for better protections as second major Vaughan condo project killed**



By **Tess Kalinowski** Real Estate Reporter  
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There are growing calls for stronger homebuyer protections in the wake of a second major condo cancellation at the Vaughan Metropolitan Centre, this time affecting buyers of 1,633 units in the sold-out Icona buildings that were launched between January and March last year.

The project by the Gupta Group at Highway 7 and Edgeley Blvd. was supposed to include the tallest condo in Vaughan at 55 storeys. But this week, the developer sent cancellation letters dated Sept. 14, citing “circumstances beyond our control that make the project unfinanceable.”

Gupta Group did not respond immediately to a call and email to its offices Wednesday afternoon from the Toronto Star. A communications representative for the company emailed a statement saying the purchasers’ deposits had been returned “after years of hard work (and) considerable financial investment.”

“We have refunded purchaser deposits in full and without delay,” the statement said.

But that did little to appease angry, disappointed buyers in the project, who told the Star they had only recently paid the last instalments on their deposits.

“It’s not fair,” said Patricia DeBartolo, who invested in a \$530,000, three-bedroom condo for her daughters to live in while attending school and starting their careers in Toronto.

“If (the Gupta Group) can’t get the financing or they want to turn around and sell it for more money we can’t stop them. But it’s not correct that they’ve had our money for a year, an interest-free loan to use it as they want,” she said.

The Bradford woman, who works in Vaughan, said she bought a condo in February 2017, in part because it made financial sense to own it given high Toronto rents and the Icona’s proximity to a new TTC station.

“At that time it was perfect. Now you’d never get that and I certainly wouldn’t go and spend \$700,000 for a condo, which is what they’re going for at those sizes,” said DeBartolo.

The cancellation comes about six months after [Liberty Developments cancelled the Cosmos](#) condos along the same stretch of Highway 7. About half the buyers in that three-tower project of about 1,000 units are asking a court to cancel their purchase agreements so they can sue the developer for the lost appreciation on their purchases during the two years in which Liberty held their deposits.

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Lawyer Ted Charney, who is representing the Cosmos buyers, said he was swamped with emails from Icona purchasers on Wednesday. He said the province and building industry regulator Tarion need to do more for buyers when developers kill projects for vague or undisclosed reasons.

“Tarion is supposed to protect consumers. So far as we know it has done nothing about the last cancelled project (Cosmos). Nor has the provincial government or Premier (Doug) Ford. Therefore it should come as no surprise that in today’s condominium market projects will continue to be cancelled for lack of “satisfactory financing,” he said.

“Icona Developments Inc. has not disclosed to purchasers how it went about meeting its contractual obligations to make all reasonably commercial efforts to secure satisfactory financing,” added Charney.

Buyer Drita Jakupovski borrowed against her home to invest in the Icona condo. By the time her son, who is still in high school, is ready to own a home it won’t be affordable, she said.

There have been 11 residential project cancellations representing about 4,000 units since early 2017, according to Shaun Hildebrand, president of Urbanation, a market research company. He thinks the Toronto area could potentially see more, but nothing on the scale of Icona and Cosmos.

“Many of the projects that appeared to be candidates for cancellation a few months ago have now started work on their sites, so the list has been pared down quite a lot,” he said.

The City of Vaughan had not been formally notified about the Icona cancellation, said a statement attributed to Mayor Maurizio Bevilacqua.

“To have heard about it through the media is extremely unfortunate, and we are now looking into the matter,” it said. “This is disappointing and a poor way to do business in our city.”

In another statement, the City of Vaughan said it shares the buyers’ frustration and disappointment, but that consumer protection is the province’s jurisdiction.

“City council sent a formal written request to the ministry of government and consumer services in May 2018, asking for a review of the legislation governing the marketing, presale and cancellation of pre-

construction condominium projects. We hope the new provincial administration will take action on our request shortly," it said.

Meantime, DeBartolo said it's small investors like her who are feeding the economy.

"We just get victimized," she said. "It's not like I'm a high roller and I've got thousands of dollars in the bank."