

Toronto Star

Step condos joins growing list of cancelled Toronto projects



By [Tess Kalinowski](#) Real Estate Reporter
Fri., April 12, 2019 timer 3 min. read

The Step condos near Islington and Finch W. Aves. has become the latest Toronto-area pre-construction project to be cancelled, three years after the developer put the six-storey building plans on the market.

Tarion, the agency charged with regulating new homebuilders and providing new home warranties, has confirmed it received notification from Terranata Developments and has sent a letter requesting more information from the condo vendor.

The project's builder, Bondfield Construction Company, was granted court protection from its creditors earlier this month.

But one buyer into Step condos wondered why it took so long for the company to cancel. She said she's been asking questions for months about why the project wasn't moving ahead.

Glenda Francis said given the appreciation in real estate prices, "I know I lost well over \$100,000."

The location and price persuaded her to invest in a \$212,000 bachelor suite with a terrace in June 2016.

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"I was looking for something economical. The agent told me the Step condo is great because it's close to York University. That's why I bought a bachelor for a student rental," she said.



Tarion spokesperson Melanie Kearns said Terranata's Tarion registration expired Dec. 9. That means it is not allowed to enter into any new agreements of home purchase and sale. Bondfield's registration expired on March 21, around the time it was seeking creditor protection. If the companies want to resume selling and building new homes in the province they must reapply for registration, she said.

Step's demise comes amid a rising number of condo cancellations that have sparked calls for better consumer protections. It also comes less than a month after the cancellation of the similarly sized On the Danforth condos by [DIAM Developments](#). That company also cancelled three years after buyers paid deposits. Those purchasers have received refunds.

There were 17 condos with 4,672 units cancelled in the Toronto region last year, according to market research company Urbanation. That was up from 1,678 in 2017 and only 379 in 2016.

The Step condo website says the 111-unit project was sold out. It touts the building's "stunning stepped terrace architecture" and low starting prices of \$192,990 as "your opportunity to get into home ownership." But the phone number and email address posted on the site were not working when the Star tried them this week.

Francis received a refund of her \$16,000 deposit plus \$2,500 in interest. She said the payment was arranged through the Brattys law firm.

"When I spoke to the administrative person on the phone he said, 'Take your money and go because some people may not even get their money.' He said the builder lost a lot on expenses for this," she said.

It's not clear if other Step buyers have received refunds. Repeated calls from the Star to Brattys on Friday were transferred to a voice message for condo buyers. The recording warned purchasers to have their lawyers contact the firm in writing. Emails from the Star to eight lawyers on the Brattys website's real estate division and a clerk at that firm also went unanswered.

If the builder does not refund buyers, Tarion provides refunds up to \$20,000. If the deposit is more than that amount, there is a possibility a third-party insurer could help with refunds, says the Tarion website.

Developers are not legally required to notify the City of Toronto if they cancel a project. A spokesperson for the city said that a 2013 rezoning application for the Step site was approved and both the zoning and site plan files were closed in 2015.

Bondfield has been subject to more than 200 lawsuits in the last year related to its failure to pay subcontractors and by the institutions that hired it, according to an April 5 report from the Globe and Mail.

An Ontario government corporate profile names John Aquino as the director of Terranata and lists the same Concord, Ont., address as a Bondfield office. Two people who answered the phone there said Aquino was no longer working there. A message for Bondfield president Steve Aquino was not returned Friday.

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