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November 4, 2024

Attention: Builder Members

A new Enrollment Fee Schedule will come into effect January 1, 2025

It has come time, once again, to adjust the Enrollment Fee Schedule based on operating costs and our recent Actuarial Analysis. The revised Schedule is attached.

Since January 2019 the Program's Fee Schedule has remained unchanged. Over the past several years we acknowledged the economic downturn and the associated struggles due in part to the pandemic and responded by providing a 'freeze' on the increase of these fees. That's 6 years without any increase! We are happy to have been able to extend this small relief.

We are increasing the fees by \$50 per enrollment. This is in line with the rise in our operating costs over the past 6 years and in agreement with our recent Actuarial Analysis, performed by KPMG, that measures past and future risk in relation to warranty claims to ensure the Program continues to operate optimally. This increase is actually a slightly discounted amount in relation to recommendations by KPMG. However, after a review of our operating position and in consideration of an economy that is still in recovery, we feel comfortable in continuing to provide our members with a bit of break by taking the most minimal approach possible with this fee increase.

A reminder will be sent out via email in the coming weeks with a new Enrollment Form in PDF format. Fees come into affect January 1, 2025. All Enrollments received after December 31, 2024 are subject to the new fees, regardless of the construction contract date, permit date, date of construction, or date the Enrollment is signed. An Enrollment is considered received when it reaches our office with payment.

Based on our knowledge of the warranty market in Manitoba, our fees remain very competitive. We will continue to evaluate the market, our expenditures, and management of risk so we can continue providing the best possible service at a reasonable cost.

Should you have any questions, please do not hesitate in contacting me.

Sincerely,

Lori Crandell

Chief Executive Officer

Enclosure



ENROLLMENT FEE SCHEDULE

Effective January 1, 2025

Enrollment Fee is based on the <u>UNIT PRICE</u> (price of the residential dwelling <u>excluding</u> land).

If you are not sure what level you are, please contact the Program office.

| | LEVEL 1 | | LEVEL 2 | | LEVEL 3 | | LEVEL 4 | |
|-----------------------|---------|---------|---------|---------|---------|---------|---------|---------|
| UNIT PRICE | 1 and 5 | 1, 2, 7 |
| Up to \$199,999 | \$450 | \$575 | \$500 | \$625 | \$550 | \$675 | \$600 | \$725 |
| \$200,000 - \$299,999 | \$475 | \$600 | \$525 | \$650 | \$575 | \$700 | \$625 | \$750 |
| \$300,000 - \$399,999 | \$500 | \$625 | \$550 | \$675 | \$600 | \$725 | \$650 | \$775 |
| \$400,000 - \$499,999 | \$525 | \$650 | \$575 | \$700 | \$625 | \$750 | \$675 | \$800 |
| \$500,000 - \$599,999 | \$550 | \$675 | \$600 | \$725 | \$650 | \$775 | \$700 | \$825 |
| \$600,000 and over | \$575 | \$700 | \$625 | \$750 | \$675 | \$800 | \$725 | \$850 |

LATE ENROLLMENT SURCHARGE

All residential units shall be enrolled with the Program upon the earlier of the date of issue of the building permit authorizing its construction, or the date of payment of a deposit by a purchaser, pursuant to Section 5(3) of the Agreement With Builder.

If the above is not enrolled within 61 days of either of the above dates, a late enrollment surcharge of \$30.00 is payable (no GST is required). Refer to Section 5 (4) of the Agreement With Builder.

ENROLLMENT ELIGIBILITY:

All homes constructed for sale per section 1 (2) of the Agreement by Builder must by enrolled. One enrollment should be submitted for each home. A 'home' means a building or part of a building which is <u>capable</u> of ownership separate from the ownership of the other part or parts of the building (regardless of whether it is a condominium or freehold title). For example, if a triplex has three units and each unit has its own entrance and utilities it is <u>capable</u> of separate ownership. If you are unsure about the enrollment eligibility of a home, contact the Program office to discuss.

The following homes are NOT eligible:

- Condominium units in a building containing: more than three storeys, underground parking or commercial use space
- Mobile homes
- Recreational homes/cottages, unless it will be used for more than 6 months of the year
- Additions/renovations to existing homes, including the rebuilding of a home on an existing foundation
- Detached secondary suites (accessory dwelling units)

STRUCTURE TYPE:

Single-family: one dwelling unit. It stands alone, and sits on its own lot.

Semi-detached: a single-family home that is joined on one side to another home.

Duplex: a building containing two single-family homes, located <u>one above the other</u>.

Triplex: a building containing three single-family homes, located <u>one above the other</u>. (example: 1 below grade and 2 above grade).

Row House (Townhouse): several similar single-family homes, side-by-side, joined by common walls.

Multiplex (4-plex, 8-plex, etc.): a combination of a Duplex and Row House style combining 3 or more units. Each unit has its own entrance.

Multi-family: several units in one building with a common entrance. It is often referred to as "apartment-style".

SFD with Secondary Suite: A fully functional secondary living unit within a Single-Family dwelling (NOT the same as a duplex).