



**Home  
Construction  
Regulatory  
Authority**

# **Information Package for Renewals**

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## About the HCRA

The Home Construction Regulatory Authority (HCRA) licenses the people and companies who build and sell new homes in Ontario. The HCRA enforces high professional standards for competence and good conduct while supporting and promoting a fair marketplace. In this role, the HCRA will give new home buyers confidence when making one of the biggest purchases of their lives – a new home. The HCRA also provides educational information and resources for consumers, including the Ontario Builder Directory, the official source of information about Ontario's 5,000+ licensed builders and vendors.

## Ontario Builder Directory

As a licensed builder or vendor, your information is posted on the Ontario Builder Directory (OBD). The OBD is a publicly accessible online registry that lists the names and background information of all licensed builders and vendors, including current licence status and the history of any regulatory or enforcement activity. The OBD helps home buyers to confirm they are dealing with a licensed builder or vendor and make informed decisions when selecting a builder.

To learn more about the type of information that the HCRA is required to make public, please review Section 82 of the [New Home Construction Licensing Act, 2017](#) (“NHCLA”) and its regulations.

## Your Duties as a Licensee

All licensees are obligated to conduct business in accordance with the requirements of the NHCLA and its regulations, conduct themselves with honesty and integrity, and demonstrate financial responsibility. Every licensee must take all reasonable measures to ensure that they and their employees and agents comply with the NHCLA, the regulations, and orders made under NHCLA.

## General Conditions

A **general condition is one that applies to all licensees** and is set out in Section 3 of O. Reg. 626/20. These conditions are in the regulation under the NHCLA and are not separately identified on the licensee's profile on the Ontario Builder Directory.

Section 3 of O. Reg. 626/20 lists the following general conditions that apply to every license:

1. A licensee shall maintain reasonable data security measures to protect the personal and other information it collects, retains, uses, transfers, discloses and disposes of.
2. A licensee shall maintain an address for service in Ontario.
3. A licensee shall carry on business under a name stated on their licence.
4. If a licensee becomes aware of a person representing themselves to be the licensee or acting on the licensee's behalf without the licensee's permission, including by the use of the licensee's licensing number, the licensee shall immediately notify the Registrar and provide all relevant information.
5. A licensee shall take any education courses or training that the Registrar reasonably requires.
6. A licensee shall successfully complete any examination that the Registrar reasonably requires.
7. A licensee shall be subject to any interview that the Registrar reasonably requires.

8. A licensee shall comply with all applicable policies, rules, and directions issued by the Registrar of the warranty authority and by the warranty authority.
9. A licensee shall comply with all conditions, obligations, and requirements imposed on the licensee by the warranty authority.

All of the requirements of the NHCLA, including but not limited to these regulatory conditions, apply to every licensee.

## Licence Display Requirements

A licence certificate is an important document. Under section 4 of O. Reg. 626/20, builders and vendors are required to prominently display their licence:

- At their principal place of business (office address as identified in the application).
- On their website, if any (or main social media platform if used instead of a website).
- At any premises where business is conducted with the public.

Please note that licence certificates will be provided electronically in PDF format via email. Those unable to access a licence certificate online and requiring an accommodation should contact the HCRA Licensing Department at [info@hcraontario.ca](mailto:info@hcraontario.ca).

## Notice of Changes

Sections 49 to 52 of the NHCLA require all licensees to notify the Registrar of changes to address for service, certain changes in control and in share ownership, and of material changes. Timelines for providing change notices are below. If no timeline is stated, please provide it as soon as possible.

To submit updated information, log into the HCRA Builder Portal account and submit a Change Request electronically. Those unable to submit the updated information through the Builder Portal Change Request can email a completed Change Request Form to [info@hcraontario.ca](mailto:info@hcraontario.ca).

## Notice of Change of Address

Section 49 of the NHCLA provides that licensees must notify the Registrar **within 5 days** of a change of address. This is the address identified for purposes of service, that is, for receiving communications from the HCRA.

## Notice of Change of Control

Section 50 of the NHCLA requires that licensees notify the Registrar **promptly** if any of the following events occur:

- A person ceases to have a controlling interest in a licensee.
- A person acquires a controlling interest in the licensee.

## Notice of Issue or Transfer of Equity Shares

Section 51 of the NHCLA requires that licensees notify the Registrar **within 30 days** if any of the following changes occur:

- A person acquires ownership of 10% or more of the total number of all equity shares of the corporation.
- An increase in equity shares owned by a person who already owned at least 10% of the total number of all equity shares in the corporation.

## Notice of Material Changes

Section 52 of the NHCLA requires that licensees **promptly** notify the Registrar of prescribed material changes. Section 8 of O. Reg. 631/20 specifies that a material change is a change to information provided as part of an application for a licence or for renewal of a licence, including a change to information regarding the business, operations, personnel, assets, liabilities or affairs of the licensee or applicant.

## New Home Warranty in Ontario

### About Tarion

[Tarion](#) Warranty Corporation administers Ontario's new home warranty and protection program, backstopping the statutory warranty coverage provided to purchasers by the builder of their new home. Almost every new home in the province is covered by a new home warranty. Tarion's role includes inspecting new home owner warranty claims, resolving warranty disputes between new home owners and builders, and managing the guarantee fund, an important financial reserve to help protect Ontario consumers.

### Enrol New Homes with Tarion

After the HCRA issues a licence and before building or offering to build, or selling or offering to sell a new home, a licensee must be in compliance with the obligations under the Ontario New Home Warranties Plan Act. Confirmation that a new home qualifies for enrolment with Tarion or is actually enrolled with Tarion must be obtained before certain building and selling steps can be taken.

Visit [Tarion](#) for detailed information or to begin the enrolment process.

Tarion will notify the HCRA of all new homes that have successfully qualified for enrolment or been enrolled with Tarion as well as any cancellations, suspensions or revocations of enrolment or qualification for enrolment.

### HCRA Oversight Fee

Tarion will collect the HCRA Oversight Fee of \$145 for each home enrolled with Tarion and will submit it directly to the HCRA. The HCRA Oversight Fee partially funds the HCRA's operations, including the continued regulation and oversight of licensed builders and vendors, managing the complaints process, maintaining the Ontario Builder Directory, and addressing non-compliance, including illegal building activity.

## Renewing a licence

To remain licensed as a builder or vendor, a licence must be renewed before it expires.

Most builder and vendor licences will have an expiry date that is 12 months from the date the licence is issued. The renewal due date is 30 days before the expiry date of the licence. In order to assist in meeting this 30-day renewal due date, the HCRA will send a reminder approximately 60 days before the licence is set to expire. The renewal application can begin at that time.

Continuing to build or sell new homes after a licence expires is illegal under the NHCLA.

## Complaints, Compliance and Enforcement

### Type of Complaints Handled by the HCRA

Licensed builders and vendors of new homes in Ontario must follow the law and all requirements. The HCRA relies on the information and feedback provided by the public as one important way to identify and address violations of the NHCLA and its regulations. Complaints highlight potential and real harms that consumers face which may result in regulatory actions available to the HCRA's licensing, compliance and enforcement teams.

There are four key areas of interest to the HCRA:

- **Licensure** – the builder or vendor is appropriately licensed with the HCRA and new homes are enrolled with Tarion.
- **Competency** – the builder or vendor has the knowledge and experience necessary to build new homes or sell new homes and to generally engage with new home purchasers and owners.
- **Financial Responsibility** – the builder or vendor can reasonably be expected to be financially responsible in the conduct of their business.
- **Conduct** – the builder or vendor carries on business in accordance with the law and with honesty and integrity.

### The Complaints Process

Following receipt of a complaint within the HCRA's jurisdiction, HCRA staff will collect relevant information about the complaint. This will include presenting the licensee with the complaint and asking for a response in writing.

### If You Are the Subject of a Complaint

If the Registrar receives a complaint about a licensee, the HCRA will gather information to determine what, if any, action is required. Licensees will be notified of the complaint and are required to provide any information requested by the Registrar as soon as is reasonably possible.

The course of action taken will depend on the nature and severity of the complaint, performance history and past conduct of the licensee, as well as information gathered from the complainant, the licensee and other parties.

The Registrar may:

- Attempt to mediate or resolve the complaint through informal or formal processes.
- Issue a written warning advising the licensee that if the licensee continues with the activity, further action may be taken.
- Require the licensee to take further educational courses or fund educational courses for employees.
- Issue a Notice of Proposal to suspend, revoke or apply conditions to a licence.
- Take other action as appropriate, including referring the matter for investigation of a potential contravention of the NHCLA or the Ontario New Home Warranties Plan Act, 1992 (ONHWPA), or closing the file without taking any action.

The Registrar will notify the licensee of the outcome of the complaint.

## Licence Appeal Tribunal (LAT)

The Licence Appeal Tribunal (LAT) is an independent tribunal created under the Licence Appeal Tribunal Act, 1999, to adjudicate applications and resolve disputes concerning compensation claims and licensing activities regulated by the Ontario government. This includes activities of Administrative Authorities such as the HCRA.

As a result of information received, including but not limited to information from an application or renewal application for license, a complaint, an inspection or an investigation, or investigation into a complaint, the HCRA Registrar may issue a Notice of Proposal to apply conditions, suspend, refuse, refuse to renew, or revoke a licence. If an applicant or licensee receives a Notice of Proposal, they have the right to request a hearing before the LAT. Requesting a hearing is in effect starting a legal proceeding. The Tribunal will hold a hearing and may direct the HCRA Registrar to carry out the proposed action or may substitute its opinion for that of the HCRA Registrar. The Tribunal may also attach conditions to its order or to a licence. Licensees have the right to their own legal representation throughout the Tribunal process, including at the hearing.

Additional information is available on the [Licence Appeal Tribunal](https://tribunalsontario.ca/lat/general-service/appeals-applications/) website. For more information about hearings before the Tribunal visit: <https://tribunalsontario.ca/lat/general-service/appeals-applications/>.

## Risk-based Approach

The HCRA's approach to licensing, compliance and enforcement measures will be informed by a risk management framework that develops escalating and proportionate responses to potential consumer harms. Factors that will inform risk management assessments may include:

- Risk of harm to home buyers.
- Past complaints about conduct showing a lack of honesty or integrity.
- Evidence of competency gaps or financial problems.
- Broader risk to the public interest or public confidence.
- Acknowledgment or evidence of culpability.

- History of compliance with warranty obligations.
- Deviation of a builder or vendor's activities from good conduct and accepted industry standards of practice.

Cases that may require compliance or enforcement escalation will be reviewed by the Registrar to determine the most appropriate path to address compliance concerns.

## Inspections

Non-compliance may be detected by direct inspections conducted by the HCRA. The NHCLA provides the Registrar with the authority to appoint inspectors to conduct inspections without a warrant or court order to ensure compliance with the NHCLA and its regulations. This authority includes the power to enter the business premises of licensees. Inspectors have powers of inspection set out in subsection 59 (4) that grant them clear authority to access, among other things, documents and records, make inquiries, require the production of documents and records, access systems, remove items for examination, and other examinations related to the purposes of their inspection. The NHCLA prohibits the obstruction of an inspector conducting an inspection or a person accompanying the inspector.

Inspection powers may only be used:

- To promote and ensure compliance with the NHCLA.
- To deal with complaints against licensees.
- To ensure licensees remain entitled to a licence.

When conducting an inspection, HCRA inspectors will identify themselves and will present a certificate of appointment upon request. If an inspection uncovers information that leads an inspector to believe an offence may have taken place or is taking place, the matter will be referred to an investigation.

Inspectors will prepare inspection reports for the HCRA Registrar who may authorize the issuance of warnings and/or certain orders, impose educational or other conditions, or in more serious cases escalate complaints to be investigated.

## Investigations

The HCRA strives to protect Ontario new home buyers and homeowners by promoting and ensuring compliance with the NHCLA and its regulations. In some cases, an investigation may be required to examine if a violation occurred and what actions should be taken to correct the situation. The key difference from an inspection is that the purpose of investigation is to determine whether a person committed an offence that may lead to prosecution in court. When conducting an investigation, HCRA investigators will identify themselves as investigators and will present their certificate of appointment upon request.



## Illegal Building

Illegal building is building that is done contrary to the provisions of the NHCLA and the ONHWPA. It includes:

- Building a new home without being a licenced builder unless the individual building the home is also the owner of the property and the home is being built for their own occupancy and not for purposes of offering it for sale.
- Selling a new home that has not been previously occupied without being a licensed vendor.
- Building a new home for purposes of sale or selling a new home not previously occupied where the home has not been qualified for enrolment or enrolled with Tarion for purposes of warranty protection.

Illegal building is a serious risk to the public. The HCRA will respond promptly to all illegal building complaints. The actions the HCRA takes will depend on the nature of the illegal building activity and any history of illegal building.

The HCRA will consider whether the subject of a complaint is an owner-builder as distinct from a vendor.

Compliance measures may include working with the parties concerned to bring them into compliance with the obligations under NHCLA ONHWPA or, where appropriate, may lead to enforcement actions.