



**Home
Construction
Regulatory
Authority**

Renewal Form Instructions

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Introduction to the Home Construction Regulatory Authority

The Home Construction Regulatory Authority (HCRA) has been designated by the Government of Ontario to be the regulator of new home builders and vendors in the province. The HCRA is responsible for licensing the people and companies who build and sell new homes in Ontario.

The HCRA is responsible for enforcing high professional standards for competence and conduct, ensuring a fair marketplace, and enhancing new home buyers' confidence in one of the biggest purchases of their lives. The HCRA also provides educational information for consumers, including the Ontario Builder Directory – the official source of information about Ontario's 5,000+ licensed builders and vendors.

About this Guide

The New Home Construction Licensing Act, 2017 (NHCLA) sets out the standards and requirements for new home builders and vendors in Ontario. As of February 1, 2021, all builders and vendors of new homes must hold a valid licence with the HCRA.

This guide sets out the key information you will need to renew your builder, vendor or builder-vendor licence. It is advisable to consult the [NHCLA](#) and its regulations to understand your rights as an applicant and the obligations that come with a licence. Do not rely on this guide to determine compliance with the NHCLA as this is for information purposes only.

The HCRA recommends reading the guide in its entirety before starting a renewal application so that you can gather the required information and prepare the necessary documents.

Renew Your 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. If the renewal application is submitted before the expiry date, the licence will not expire, and licensees may continue to operate as per usual while the HCRA processes the application.

How to Renew a Licence

To begin a renewal application, applicants must use the [Builder Portal](#). The Builder Portal is an online service for builders and vendors to manage and submit forms electronically and pay fees. The HCRA is committed to making the application process fair and efficient, and will only be accepting renewal applications, supporting documents and fee payments through the Builder Portal.

Part of the application renewal is a requirement to truthfully attest to additional details provided in the application such as a listing of all interested persons associated with the application, information about past conduct and criminal history, and compliance with the law. Providing false or misleading information is highly relevant as it brings into question an applicant's honesty and integrity.

As part of the renewal application process, payment of a renewal fee of \$500 is required. The HCRA reviews the renewal application after payment has been received. If payment is not received within 10 business days from application submission, the application for renewal will be automatically treated as withdrawn.

Late Renewals

All applications submitted after the renewal due date (thirty days before the expiry date of the licence), but before the expiry date itself, are subject to a late renewal fee. Once a licence is expired, renewal is no longer an option. A new application for a licence is required. This may include fulfillment of all requirements as a first-time applicant such as completion of education courses, a Criminal Record and Judicial Matters Check and an interview. Case-by-case exceptions may be considered based on extenuating circumstances.

Interested Persons

As part of the application process, the HCRA will review information about individuals and corporations involved with a business.

An interested person is a person who may not be the applicant, an officer or director, but who nonetheless exercises influence or control over the operation of the applicant or licensee. The interested person's influence may be the result of direct or indirect financial controls. It is important to note that an interested person does not necessarily need to have any formal ownership position or financial arrangement with a licensee. The key point is that the person may be exercising control over the applicant or licensee.

First-time applicants and renewal applicants will be asked to identify interested persons on their application forms. They are also obliged to notify the HCRA Registrar of changes to the information provided. At the time of application for a licence or renewal, interested persons are not required to undergo a Criminal Record and Judicial Matters Check. The HCRA Registrar may, however, determine that additional information is required about one or more identified interested persons.

The application form also includes a declaration by the applicant about past and present conduct and financial responsibility of identified interested persons. This includes whether the interested persons have currently or previously been registered with Tarion under the Ontario New Home Warranties Plan Act or licensed with the HCRA under the NHCLA.

It is important to disclose all interested persons. Failure to do so might be considered as an honesty and integrity issue by the HCRA Registrar.

After the Application is Submitted

Once the HCRA has received a licence application or licence renewal application, along with the required fees and supporting documentation, HCRA staff will review the file to ensure that the application is complete. The applicant may be contacted if additional information is required.

The HCRA strives to process applications in a timely fashion while remaining objective, fair and consistent. The HCRA will be transparent about anticipated processing times for applications, so applicants know what to expect.

There are four key areas that form the core of an assessment based on the NHCLA entitlement criteria:

1. CONDUCT

Can the applicant be expected to carry on business in accordance with the law and with honesty and integrity?

2. COMPETENCY

Does the applicant have the knowledge and skills necessary to build new homes and/or sell new homes and generally engage with purchasers and homeowners? Factors include completion of approved or equivalent courses and ability to apply knowledge to business and service planning and to the building of new homes.

3. FINANCIAL RESPONSIBILITY

Can the applicant be expected to be financially responsible in the conduct of business? Factors include history of bankruptcy.

4. GOOD STANDING (RENEWAL ONLY)

Has the applicant met the responsibilities as a licensee, including satisfying any conditions that may have been applied to the licence and all Tarion obligations related to warranty performance? Other factors include contravention of the NHCLA, the ONWHPA or their regulations such as cooperating with an inspection or investigation, complying with the Registrar's request for information and paying any fines owed to the HCRA.

For corporations and partnerships, the assessment will include consideration of the financial responsibility, conduct, and competency of principals, directors, officers, partners and interested persons.

Potential Outcomes of the Application

The HCRA Registrar will take one of the following actions on the application once the assessment process is complete:

1. Grant a licence

If the application is successful and the licence is granted, the applicant will be notified by email.

2. Grant a licence or renewal of licence with conditions the applicant has consented to

The purpose of applying a condition to a licence is to mitigate an identified risk and to support consumer protection. Examples of possible conditions include completion of further education, and supervision or mentorship arrangements. The HCRA will engage with the applicant on the content of any condition on a licence the Registrar has determined is necessary.

3. Issue a Notice of Proposal to grant or renew a licence with conditions

If it is proposed to grant a licence subject to conditions, the Registrar may have sought the applicant's consent to the condition(s). If the applicant does not consent or if the circumstances warrant it, the Registrar may proceed with a Notice of Proposal (NOP) to grant the licence subject to the proposed condition(s). The NOP will set out the reasons for the proposed conditions and the applicant's right to ask for a hearing by the Licence Appeal Tribunal.

4. Issue a Notice of Proposal to refuse a licence or renewal of licence

If the Registrar determines that the applicant is not entitled to a licence, the Registrar will issue a Notice of Proposal (NOP) to refuse the licence or to refuse to renew the licence. The NOP will set out the reasons for the proposed refusal and the applicant's right to ask for a hearing by the Licence Appeal Tribunal.

Once the Registrar makes a final decision to refuse the renewal of a licence or to revoke a licence, the applicant may only reapply if one year has passed since the refusal or revocation as per Section 7 of [O. Reg. 631/20](#).

Additional Documents to be Submitted with Renewal Applications

Please ensure all applicable documents as listed below are included with the application as they will be required to process a complete application. **Submission of an incomplete application will delay the approvals process.**

All Applicants

- Completed renewal application form
- Renewal fee payment
- Supporting information relating to self-declaration questions (if applicable)
- Articles of Amendment (if applicable)
- Notice of Change of Directors and Officers (if applicable)
- CV for new officers/directors/principals (if applicable)

Application Instructions

Applicant Identity

Fields include:

- Business legal name
- Business operating name
- Type of licence
- Type of construction the licensee undertakes
- Mailing information
- Contact information

Changes to the licence type or construction undertaken by the licensee will prompt a follow-up by the HCRA and may require additional information to be provided for consideration by the HCRA Registrar. See page 10 for definitions on licence types and construction types.

Primary Contact Person

The applicant must designate a primary contact person who will communicate with the HCRA when required. All correspondence from the HCRA, including confidential correspondence, will be addressed to the person identified.

If there are changes to the primary contact person information during the licensing period, licensees must notify the HCRA as soon as possible to allow proper notification and communication of events and information, and publication of the information on the Ontario Builder Directory (OBD) as required by legislation.

Changes in Business Organization

When establishing a new company or making a material change to the business structure (e.g., from a sole proprietorship to a corporation), or in the event of the admission or retirement of partners (if the business is a partnership), **a new application for a licence must be completed and submitted to the HCRA.**

Principals

- **Principal** – Any individual or company owning at least 10% of the business as per the Shareholder Register.

Any changes to the principals of the organization, including a change in the percentage of shares they own, need to be communicated to the HCRA as soon as they occur. Under Section 51 of the NHCLA, the HCRA must be notified within 30 days of a transfer of shares if the issuance or transfer of shares resulted in accumulating beneficial ownership or control of over 10% of the total number of shares.

Applicants must indicate any changes to the principals in their organization. Additional follow up may be required.

Officers, Directors and Interested Persons

- **Officer/Director** – Named in the Initial Return/Notice of Change in Directors and Officers filed with the Ministry of Government and Consumer Services.
- **Interested Persons** – Individuals employed by or affiliated with the licensee or applicant (including guarantors), or who have the ability to exercise influence or control over the operation of the business or licensee (either directly or indirectly), including the management, policies, or business affairs and strategy of the business. An interested person may also be a financial beneficiary of the applicant, such as a silent partner.

Applicants must indicate any changes to officers, directors or interested persons in their organization. Additional follow up may be required.

The HCRA Registrar has the obligation to assess whether a licensee continues to be entitled for a licence and may make additional inquiries on new personnel to assess the licensee's continued entitlement to a licence.

Competency

Changes to the principals, officers or directors may lead to changes in the holders of competencies the licensee relies on. If changes have occurred, the licensee must update the competency information and indicate new competency holders.

The required competencies may be held by one person or collectively held by a group of people such as principals, directors or officers.

Applicants must demonstrate the following technical and business competencies:

1. Business Planning and Management
2. Financial Planning and Management
3. Project Management and Supervision

4. Legal Issues in Housing
5. Customer Service and Tarion Requirements
6. Building Codes*
7. Construction Technology*

*Not required for vendor-only licence applications

The applicant must demonstrate that the business has the required competencies to execute the intended construction. This means that each competency is present in the company or is accessible to the business through external sources.

Consultants

Vendors and builders of Type C/D condominiums are afforded an exemption to taking the courses as long as the required competencies are possessed by consultants and/or contractors with professional qualifications in the area of the competency, who are on retainer or contract with the vendor or builder for the duration of the condominium project. However, there is no exemption to the Customer Service and Tarion Warranty course as customer service is fundamental to all interactions with purchasers throughout the new home buying customer journey. This competency must be held by at least one person who is an owner, principal, officer or senior employee of an applicant company.

The **consultant table** on the application form requires the information for all consulting firms contracted for a specified competency. This includes the name of the consulting firm as well as the lead person (consultant) assigned to the project. For example, an applicant may contract with a legal firm to provide the competency required for Legal Issues in Housing. The consultant is the lawyer in this legal firm that is responsible for the work with the applicant.

Past Conduct Declaration

An applicant must answer questions that assist the Registrar in determining whether the applicant can reasonably be expected to meet the expectations of good conduct. These questions allow applicants to self-report conduct or circumstances that may be relevant to this determination. The self-reporting requirements in the application include providing full and detailed information about the conduct or circumstances and providing any supporting documentation. Applicants are required to answer all questions honestly and accurately. Failure to do so may result in a decision to refuse, revoke or suspend a licence and possibly other action.

The declarations made in this section are to be made by the applicant and on behalf of all of its principals, officers, directors, partners and parties. A positive response does not disqualify an applicant from the licensing process, nor does it necessarily prevent them from obtaining a licence. This information is part of an overall evaluation of all new applicants for a licence. Providing false or misleading information is, however, highly relevant as it brings into question an applicant's honesty and integrity.

Consent to External Checks

The HCRA will provide a notice in the application form regarding the use of credit checks.

All new and renewal applicants, as well as any related principals, officers, directors and partners, are subject to a credit check performed by a third-party provider as a part of the application.

The results of the credit check, including bankruptcies and past judgments, will be considered as part of the assessment of financial responsibility. The credit check is an important tool that provides a consistent measure for the Registrar's assessment of financial responsibility and may also be relevant to expectations regarding compliance with the law and acting with honesty and integrity.

Declaration and Signatures

Applicants are required to truthfully attest to the details provided in the application such as a listing of all interested persons, information about past conduct and criminal history, and compliance with the law. Failure to complete an honest attestation will impact the Registrar's assessment of honesty and integrity.

Providing a false statement in the application is an offence under the NHCLA.

Licence Request

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; and
- At any premises where business is conducted with the public.

Please note that licence certificates will only be provided electronically in PDF format. Those unable to access a licence certificate online and requiring an accommodation should contact the HCRA Licensing and Customer Service Department at info@hcraontario.ca. In the application form, a printed copy of the certificate can be requested to be mailed to the business address for an administrative fee of \$25.

Definitions

Licence Types

Builder Only

A builder must be a licensed person or company who will build a home not previously occupied (a new home). It is the builder who performs the work including the supply of materials necessary to construct and warranty a completed home. This may include a project manager depending on the level of control over the project, determined by the contract or evidenced in the completed home.

A builder may be responsible for both building and selling a new home. A builder may also build a new home under an agreement with a vendor or under an agreement with a landowner.

Vendor Only

A vendor must be a licensed person or company who will sell a home not previously occupied (a new home). It is the vendor who sells and transfers title of the new home to a purchaser.

For a new home that is not a home built under contract with a landowner, a vendor must have an agreement with, or otherwise employ, a licensed builder in the construction of the new home.

Vendor and Builder

A vendor/builder must be a licensed person or company who will both build and sell a home not previously occupied (a new home). As a result, the person must be licensed as both a builder and a vendor.

The builder of a home built under contract with a landowner (a contract home) is deemed to be a vendor. Consequently, the builder will also be the vendor for purposes of statutory warranty.

Type of Construction

Non-Condominium – Self-contained, single-family dwellings for one family, excluding condominiums. This could be a detached home, a townhome, a row-home, or a unit in a quadruplex, as long as it is a self-contained, one-family unit. It may be a home in a new subdivision, an infill, or one constructed on a landowner's vacant or cleared lot.

Condominium – Condominium property as defined in Section 1(1) of the Condominium Act, 1998: the land, including the buildings on it, and interests appurtenant to the land (such as common elements), as the land and interests are described in the description, and includes all land and interests appurtenant to land that are added to the common elements.

For the purposes of the HCRA and Tarion, condominiums may be subdivided into five different types:

Type A – The project has only Part 9 Ontario Building Code (OBC) construction requirements and is a lot-line condominium.

(e.g, Freehold and townhomes with common elements such as roadways, sidewalks, etc. verified through Schedule C of Declaration. This includes vacant land and common elements of Condominium Corporations.)

Type B – The project has only Part 9 OBC construction requirements and is not a lot-line condominium.

(e.g., Buildings that are 3 storeys or less in height with building area less than 600m²/6460ft². Common elements usually begin from the back-side surface of drywall, and may include the exterior of the unit. Verified through Schedule C of the Declaration.)

Type C – The project has both Part 3 and 9 OBC construction requirements.

(e.g., Townhomes, stacked towns, and midrise buildings of 3 storeys or less, usually with an underground parking structure designed and built to Part 3 of the OBC.)

Type D – The project has only Part 3 OBC construction requirements.

(e.g., Mid-rise and high-rise buildings with 4 or more storeys subject to Part 3 OBC only.)

Residential Condominium Conversion Projects - Consist of both new construction elements as well as existing elements. Projects may involve a change of use, or substantial renovation permit or may have other special conditions. Generally, these types of projects are designed and built to Part 3 of the OBC, but may also consist of Part 9 elements.

Business Structure

- **Corporation** – A form of business authorized by federal, provincial or territorial law to act as a separate legal entity. Its purpose and by-laws are set out in its articles of incorporation. A corporation may be owned by one or more persons.
- **Limited Partnership** – A form of business that is operated by a single general partner, supported by other limited partners. The limited partners contribute capital but cannot be involved in the company's management.
- **Sole Proprietor** – A form of business that one individual owns entirely and that is not incorporated.
- **Partnership** – An association or relationship between two or more individuals, corporations, trusts or partnerships that join together to carry on a trade or business.
- **Joint Venture** – A form of business under which two or more entities pool resources and share expertise for the purposes of a common venture.