

## Frequently Asked Questions – HCRA Transition and Changes at Tarion

### General

**1. What will the role of the Home Construction Regulatory Authority (“HCRA”) be?**

As of February 1, 2021, the [Home Construction Regulatory Authority](#) (HCRA) will be responsible for new home builder and vendor licensing in Ontario. The HCRA will also be responsible for licensing the people and companies who build and sell new homes in Ontario.

The HCRA will be accountable to enforce professional standards for competence and good conduct while promoting and supporting a fair, safe, and informed marketplace. As a result, the HCRA will serve to enhance consumer confidence in one of the biggest purchases of their lives – a new home.

It will also provide educational information and resources for consumers, including an Ontario Builder Directory: the official source of information about Ontario’s builders and vendors.

**2. What role will Tarion play in the new home building process after the HCRA is designated?**

The HCRA will take over Tarion’s registration function. Licensing will now be a function of the HCRA under the New Home Construction Licensing Act, 2017 (NHCLA). In the past, Tarion was responsible for both registration of builders and warranty administration. Tarion will continue to deliver Ontario’s new home warranty and protection program, backstopping the statutory warranty coverage provided by vendors to purchasers of new homes under the Ontario New Home Warranties Plan Act (ONHWPA).

**3. Why was the HCRA created?**

The Ontario Government passed the New Home Construction Licensing Act, 2017, to create a separate regulatory authority to oversee the licensing and regulating of new home builders in Ontario.

This was done to separate the regulating of the new home building industry from the management of the new home warranty program.

As of February 1, 2021, this new Delegated Administrative Authority (DAA), the new HCRA, will be designated as the official regulator of new home builders and sellers and will improve consumer protection and transparency for homeowners and homebuilders by enforcing professional standards for competence and conduct in the home building industry and provide educational information for consumers as they purchase their new homes .

**4. When is the transition taking place?**

The HCRA’s launch date is February 1, 2021.

As of February 1, 2021, the HCRA will be responsible for new home builder and vendor licensing in Ontario.

**5. Who can we speak to if we have questions about the transition?**

Both organizations are working towards a smooth transition with minimal disruptions for homeowners or builders and are practicing a “no wrong door” approach.

For information on licensing, builder conduct concerns, or other HCRA-related questions, you can:

- visit [hcraontario.ca](http://hcraontario.ca)
- call 1-800-582-7994
- or email [info@hcraontario.ca](mailto:info@hcraontario.ca)

For information on warranty protection, home enrolment, or other Tarion-related questions, you can:

- Visit [tarion.com](http://tarion.com)
- Call 1-877-982-7466
- or email [customerservice@tarion.com](mailto:customerservice@tarion.com)

**6. Will Tarion and the HCRA share information?**

The HCRA and Tarion are committed to ensuring a streamlined process, including an Information Sharing Protocol that will reduce administrative burden and duplication of data collection.

**7. Has the Government of Ontario consulted on these changes?**

Yes, multiple consultations on regulatory and legislative changes have been conducted by the Ministry of Government and Consumer Services, HCRA, and Tarion over the past year to prepare for the launch of the new regulatory authority.

**8. How can I get in touch with the HCRA?**

For additional information about the HCRA, please visit the interim website at [hcraontario.ca](http://hcraontario.ca), call 1-800-582-7994, or email [info@hcraontario.ca](mailto:info@hcraontario.ca)

More information about the HCRA’s services and processes will be provided over time. Please check back regularly for new information and future opportunities to participate in consultations.

**9. Will there be a process for a homeowner to make a complaint about their builder?**

Licensed builders and vendors of new homes are accountable for their conduct, competence, and financial responsibility.

Under their mandate, the HCRA will investigate homeowner complaints about their builders’ conduct and enforce professional standards for competence and conduct in the home building industry. The HCRA’s complaints process provides a pathway to bring concerns about a builder or vendor to HCRA’s attention.

Complaints can be filed about a licensed builder or vendor online or in writing. More information is available from HCRA directly at [hcraontario.ca](http://hcraontario.ca)

**10. Will there be a process to make a complaint about illegal building?**

Yes. the HCRA will be responsible for receiving and investigating illegal building complaints. For more information, please visit [hcraontario.ca](http://hcraontario.ca).

## Registration/Licensing Fees

### **11. What will change about the licensing process?**

As of February 1, if you were registered as a builder or vendor with Tarion, your Tarion registration is automatically transitioned to an HCRA licence.

Your registration number will also carry over to become your licence number.

You must be licensed by the HCRA to legally build or sell new homes. You must also first be licensed by the HCRA before enrolling homes with Tarion. To clarify, the sequence remains the same. Tarion previously registered builders and vendors, then confirmed enrolments under the Ontario New Home Warranties Plan Act (ONHWPA), in that order. The difference is that with two organizations, you interact with each one separately for the appropriate process.

### **12. Will our current registration number remain the same with HCRA?**

Yes, if you were registered as a builder or vendor with Tarion, your Tarion registration is automatically transitioned to an HCRA licence and the number will remain the same.

### **13. What is the difference between registration and licensing?**

The HCRA licence replaces the previous requirement for new home builders to be registered with Tarion.

You must be licenced by the HCRA to legally build or sell new homes in Ontario. However, you must also receive confirmation of enrolment from Tarion to be able to build or sell new homes in Ontario.

If you were registered as a builder or vendor with Tarion, your Tarion registration is automatically transitioned to an HCRA licence.

### **14. Will licensing fees increase?**

The HCRA has [posted](#) new licensing fees along with guidelines for builder conduct and consumer complaints.

Tarion has also posted a [new fee schedule](#).

In developing the new fee structure, the Tarion and the HCRA endeavoured to keep costs to builders and vendors from rising significantly, with any increases offset by the benefits of a more active and modern regulator improving the sector.

### **15. I recently renewed/registered with Tarion. Will this carry over to the HCRA?**

If you were registered as a builder or vendor with Tarion, your Tarion registration is automatically transitioned to an HCRA licence.

Your registration number will also carry over to become your licence number.

### **16. Will there be a grace period for builders transitioning from Tarion registration to HCRA licensing?**

When a Tarion registration expires, it cannot be renewed – a new application must be submitted. However, the HCRA recognizes that transitioning to the new licensing regime in 2021 is an extenuating circumstance. For the period of February 1, 2021, to January 31,

2022, if a renewal date is missed, special accommodation will allow for late renewals rather than requiring a new application (late renewal fees will still apply).

During this transition period, late renewals will be accepted for three months after the expiry date. Beyond three months (and in all cases after January 31, 2022), extenuating circumstances will only be considered on a case-by-case basis by the HCRA Registrar. Though late renewals may be accepted, until the renewal application is approved, your licence is considered expired. Therefore, you are not permitted to act as a builder or vendor.

**17. What happens to registration applications that are still being processed with Tarion as of February 1? Will Tarion complete them or do we need to reapply to HCRA?**

As of February 1, Tarion is no longer able to register/licence builders and will be transferring the in-process applications with HCRA for them to complete.

Builders whose applications are not completed should expect communication from HCRA and Tarion providing them with more information.

### **Builder Standards**

**18. Will anything change regarding educational requirements for builders?**

No, core competencies will not change. However, who must complete them will. Under Tarion's rules, the core competencies had to be held by one or more of a principal, an officer, or a director.

Under HCRA's licensing process, if the proposed construction includes Type C (up to 4 storeys, non-combustible construction) or Type D (business and personal services occupancies) – because of the complexity of these projects – one or more of the core competencies can be held by another person in the licensee's business, or by an external person such as a consultant or building professional.

In all other cases, competencies must be held by the individual licensee or, if a company, by a principal, officer, director (or senior employee) of the company.

**19. The HCRA is now requiring Criminal Records and Judicial Matters checks. What type of activity is the HCRA looking for?**

Please contact the HCRA for specific information by calling 1-800-582-7994, by emailing [info@hcraontario.ca](mailto:info@hcraontario.ca), or by visiting their website at [www.hcraontario.ca](http://www.hcraontario.ca)

### **New Addendum and Warranty Information Sheet**

**20. Why did Tarion change the Addendum?**

To coincide with the launch of the Home Construction Regulatory Authority (HCRA), Tarion updated the addendum to reflect that the document is now required under both organizations' legislation.

Every new Agreement of Purchase and Sale (APS) signed on or after February 1, must have the [new version](#) attached.

There are no substantive changes to the addendum, but the new versions do include small changes to reflect the new regulator, such as the Tarion Registration number being replaced by an HCRA licence number.

The new Addenda are available through [Tarion's website](#), or are available in word format via Builder Link.

**21. Will the Tarion timeframes for Firm and Tentative Closing be changing in the new Addendum?**

No, timeframes for firm and tentative closing have not changed.

There are no substantive changes to the addendum, but the new versions do include small changes to reflect the new regulator, such as the Tarion Registration number being replaced by a HCRA licence number.

The new Addenda are available through [Tarion's website](#), or are available in word format via Builder Link.

**22. Do we need to provide the Warranty Information Sheet if we signed the APS before February 1, 2021?**

Every new APS signed on or after February, 1 must have a Warranty Information Sheet attached.

For vendors with purchase agreements signed prior to February 1, which are governed by the previous requirement for vendors to provide the Homeowner Information Package (HIP), and have not done so, you can fulfill the obligation via the following:

1. Vendors who already have a copy of the HIP (a printed version or a previously downloaded PDF) can provide it to purchasers; and
2. Vendors who do not have a copy of the HIP (either physical or digital) can:
  - provide purchasers with a link to the [Learning Hub](#); or
  - provide their existing link to the HIP (if it's already embedded in other materials), which will be automatically re-directed to the Learning Hub.

If vendors wish to provide physical document to purchasers, they can also print off the relevant [Warranty Information Sheet](#) or a copy of the appropriate Warranty Coverage Brochure ([Freehold/Contract](#) or [Condominium](#)) and provide it to the purchaser.

**23. Is the Homeowner Information Package still required?**

As of February 1, 2021, the Homeowner Information Package (HIP) will be retired, and links to the HIP will be redirected to Tarion's new Learning Hub.

Every new APS signed on or after February 1, must have a [Warranty Information Sheet](#) attached.

For vendors with purchase agreements signed prior to February 1, which are governed by the previous requirement for vendors to provide the HIP, and have not done so, you can fulfill the obligation via the following:

1. Vendors who already have a copy of the HIP (a printed version or a previously downloaded PDF) can provide it to purchasers; and
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## **Purchaser Contact Information**

### **24. Where can we find the requirements for vendor/builders to provide purchaser information to Tarion?**

Regulation 892 requires builders to provide purchaser contact information for every home sold, or construction contract entered into on or after February 1, 2021.

This information must be provided within 30 days after the purchase agreement is signed. These obligations are outlined on Tarion.com, Builderlink and also included in Registrar [Bulletin #5 – Builder Deliveries](#).

### **25. What purchaser information must be provided?**

Vendors/builders are required to provide the following minimum purchaser contact information for each home sold or construction contract signed:

- HCRA Licence Number
- Name of purchaser(s)
- Email address
- Mailing address (if email is not available)

The following information is optional:

- Phone number
- Enrolment number
- Municipal address of home or lot & plan number
- Date of purchase
- Anticipated closing/occupancy date
- Home type

### **26. How is this information submitted?**

The information can be submitted in one of three possible formats:

1. Tarion's Template Excel spreadsheet (available on BuilderLink as of February 1)
2. A vendor/builder's own Excel spreadsheet (if it contains the required information noted above)
3. Image/scan of contact page from purchase agreement (if it contains the required information noted above)

To submit the purchaser information, vendors and builders have two options:

#### **1. Submit via email:**

- Spreadsheets or images/scans of the APS contact page which contain the identified minimum information can be emailed to [purchaserinfo@tarion.com](mailto:purchaserinfo@tarion.com)

#### **2. Submit via BuilderLink:**

- a. Vendors/builders (VBs) will log into their BuilderLink account and access Tarion's Excel spreadsheet in the Document Upload section under the Warranty Services menu.

- b. The Excel spreadsheet can be downloaded, completed and then uploaded to BuilderLink. Or a vendor/builder can upload their own Excel spreadsheet.
- c. Once the spreadsheet is uploaded to BuilderLink, an auto response is generated by BuilderLink and will appear on-screen to confirm that the purchaser information has been successfully uploaded.

**Please note:** Excel template will be available for download on BuilderLink on February 1 but builders will not be able to upload a completed spreadsheet via BuilderLink until at least February 10. In the interim, they can email it to [purchaserinfo@tarion.com](mailto:purchaserinfo@tarion.com)

**27. Who will be responsible for updating this information if purchase agreement is terminated or a purchaser's contact information changes?**

Once the purchaser contact information is provided to Tarion for a given home, it will need to be updated if the information changes to ensure that Tarion is sending communications to the right purchaser.

Who is responsible for providing the updates depends upon the circumstances under which it is changing:

**1) Purchase agreement is terminated, and home is re-sold by builder to a new Purchaser.**

The vendor/builder will be responsible for providing the new purchaser's contact information for the home. Tarion will then update the information associated with that home in our files.

**2) Purchasers assign their interest in Purchaser Agreement to a new Purchaser.**

If the purchasers assign their interest in a purchase agreement to another buyer, as this is a purchaser-initiated change, the original purchaser will be responsible for advising Tarion and providing contact information (name and email address) for the new purchaser. Tarion will then update the information in our files. The first email purchasers receive from Tarion will inform them of this responsibility.

**3) Purchaser changes their contact information prior to possession/occupancy.**

If there are any changes in the purchaser's contact information, it will be their responsibility to advise Tarion. The first email purchasers receive from Tarion will inform them of this responsibility.

## **Ontario Builder Directory (OBD)**

**28. Where will the OBD be managed?**

The HCRA will be managing the Ontario Builder Directory and it can be found on [hcraontario.ca](http://hcraontario.ca).

**29. What will change about the information published on the OBD?**

The HCRA will not continue the Tarion practice of providing a 15-day notice to builders and vendors prior to posting conciliation, claims, or warranty performance data. Information will be added to the OBD by HCRA as it is received from Tarion.

The HCRA will be responsible for providing educational information and resources for consumers, including an enhanced OBD: the official source of information about Ontario's builders and vendors.