

### 2023 Annual Meeting September 7, 2023 General Questions & Answers

In addition to the questions <u>answered live</u> during the 2023 Annual Meeting, the Home Construction Regulatory Authority (HCRA) addressed and responded to all written questions submitted by attendees. Please see general questions and their answers available to the public:

# 1. Who is responsible for updating the Ontario Builder Directory and what type of information is made available?

The HCRA hosts the <u>Ontario Builder Directory</u>, a searchable database of builders and vendors of new homes in Ontario. The HCRA is responsible for providing objective, quantifiable and accurate licensing information on the Builder Directory. This includes information such as: licensing status, conditions on a licence, charges and/or convictions, and any notices of proposal against a person or entity.

Additionally, Tarion collects and provides information regarding project and warranty-related data, as well as any information about claims that Tarion has received. The HCRA posts this data as received on the Builder Directory, and Tarion is responsible for the accuracy of this data.

To support enhanced consumer protection, a recent update we made specifically highlights when various builder profiles are related to another – this is known as related companies, where various companies share a common Principal, Director or Officer. This helps consumers know if a builder is connected or related to another company so they can better understand the background and history of the company, and its leadership.

Based on consumer feedback, the HCRA is also enhancing the glossary section of the Builder Directory with more user-friendly language and easy to understand terms and definitions.

# 2. What safeguards are in place to prevent a builder that is refused a licence from simply reapplying under a new company name?

A builder changing their corporate name and licence number does not exonerate them from past misconduct. Licensees are required to apply annually to renew their licence, and a builder's record is an important part of the HCRA's licensing review process. As part of the application process, the HCRA will review all relevant licensing history and information pertaining to interested persons that may be associated with the applicant/licensee, including, but not limited to, Principals, Directors and Officers.

The HCRA licence application includes a declaration by the applicant about past and



present conduct and financial responsibility of identified interested persons, which will be considered as part of the licensing process. 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 *New Home Construction Licensing Act*, 2017.

In addition, the HCRA has enhanced the Ontario Builder Directory to indicate information more clearly on how various builder profiles/companies are related via a common Principal, Officer and/or Director.

## 3. How should price escalations be managed – are consumers obligated to accept new terms from builders?

Revisiting a signed agreement can be a legitimate request, such as when the contract stipulates conditions for additional costs. However, there are rules in place – including a formal Code of Ethics – about how the builder approaches the subject. Purchasers should never be bullied or intimidated, and builders must act with honesty, integrity and according to the law. For more information about price escalations and contract terminations, please read the <a href="https://example.com/hcmatistrations/">https://example.com/hcmatistrations/</a>.

Builders are obligated to inform homebuyers that they have the option to insist that the licensee complete the contract as originally signed. This is subject to termination or other clauses set out in the contract itself, but consumers should never be misled into thinking there is no choice but to accept new terms.

If consumers think their builder has acted illegally or unethically, they can contact the HCRA directly at (416) 487-HCRA (4272) or info@hcraontario.ca.

### 4. What is the HCRA's timeline and process for managing public complaints?

The HCRA will immediately acknowledge receipt of a complaint and follow up within 3-5 business days with complainants, including obtaining any additional information necessary to move forward.

It takes time and resources to substantiate information and determine the path to proceed. The HCRA is dedicating the necessary resources to the complaints process, providing an impartial review of matters from the perspectives of both consumers and builders, and remaining fair to all sides.

Ultimately, the HCRA's complaint system operates on two fundamental principles: giving consumers a clear path to voice their concerns and ensuring fair adjudication of the matter for all parties involved.



#### 5. Who are the members of the HCRA Board of Directors?

The HCRA is governed by a nine-person Board of Directors, including six elected representatives and three members appointed by the Minister of Public and Business Service Delivery to represent consumers, business and government. This list is available on our <u>website</u>.

### 6. How can I file a complaint about the HCRA?

Anyone with concerns about the HCRA can refer to the <u>Policy on Complaints about the HCRA</u> for more information. The email address for complaints about the HCRA, as noted in this policy, is <u>servicefeedback@hcraontario.ca</u>.