

May 26, 2020: Covid-19 Guidance Document – Model Homes/Inventory Homes

This is not a legal document but serves to provide guidance to members as they determine how to comply with [Ontario Regulation 82/20 COVID-19 State of Emergency](#).

Members are encouraged to review this material, discuss with appropriate legal and profession experts, and make your own determination.

Opening of Model Homes/Inventory Homes for Public Viewing and Sale:

It is important for members to appropriately advertise the opening and availability to view model homes/inventory homes to comply with the Ontario Regulations under the COVID-19 State of Emergency.

Model homes/Inventory homes are under the builder's control for sale and serve as part of the builder's supply chain to the local homebuying market. They serve to showcase the builders home building product, along with the finishing and details that can be incorporated into various home building designs, such as cabinetry, flooring, exterior cladding, and landscaping options.

Under the [Ontario Regulation 82/20](#) construction is an Essential Business under Construction:

27. Construction activities or projects and related services that support construction activities or projects, including demolition services.
28. Land surveyors.
- 28.1-31. REVOKED: O. Reg. 223/20, s. 9

Under the [Ontario Regulation 82/20](#) model home/inventory home generally would fall under Schedule 2 Essential Businesses – Supply Chains:

1. Businesses that supply other essential businesses or essential services within Ontario, or that supply businesses or services that have been declared essential in a jurisdiction outside of Ontario, with the support, products, supplies, systems, or services, including processing, packaging, warehousing, distribution, delivery, and maintenance necessary to operate.

Under the [Ontario Regulation 82/20](#) operating or opening a model home/inventory home would generally fall under Schedule 2 Essential Businesses – Consumer Products:

- 2.5 Businesses that engage in the retail sale, or rental, of items to the public, that have a public entrance that opens onto a street or exterior sidewalk and that are in compliance with section 2 of Schedule 3.

Under the [Ontario Regulation 82/20](#) compliance with Section 2 of Schedule 3 describes the requirements that apply to businesses covered in schedule 2:

2. (1) The person responsible for a place of business that engages in the retail sale, or rental, of items to the public, other than a business described in paragraph 2, 2.1, 2.2, 2.3, 2.4, 3 or 4 of Schedule 2, shall use one or more of the following methods to ensure that persons in the place of business can maintain physical distancing of at least two metres from each other at all times:
 1. Using alternative methods of sale such as curb side pick-up or delivery.
 2. Operating by appointment.
 3. Limiting the number of people who may be in the place of business at any one time.

Under the [Ontario Regulation 82/20](#), services related to the sale of homes – including model/inventory homes – are an essential business under financial services.

16. Businesses that provide the following financial services:

- i. Capital markets and related securities trading and advisory services.
- ii. Banking/credit union activities including credit intermediation.
- iii. Insurance.
- iv. Land registration services.
- v. Real estate agent services.

Furthermore, there is an “Open house prohibition” in [Ontario Regulation 82/20](#):

Open houses prohibited

4. Every person who is responsible for a business that provides real estate agent services shall ensure that the business does not host, provide or support any open house events.

Guidance on Model/Inventory Home Protocol for the OHBA Members:

To assist members in the opening/operations/sale of model homes/inventory and to comply with the above [Ontario Regulation 82/20](#), **OHBA would advise against advertising the opening of a model home/inventory home for public viewing as an “open house”, or any language that described a service that did not fall under the essential business list or comply with Schedule 3.**

Under the COVID-19 regulation, that model home/inventory home is a part of the builder’s supply chain and therefore can generally be sold and open to the public but operating as a retail operation for the builder, and therefore should follow the requirements for businesses engaging in retail sale of items to the public stated within the regulation.

As you develop your own protocol for operating a model home, OHBA suggests considering the following:

- Review the government of Ontario’s “[Workplace Safety and Prevention Services Guidance on Health and Safety for Retail Sector during COVID-19](#)” document
- Schedule viewings in advance
- Post your [COVID-19 awareness signage](#) at the front door
 - Include any interior signage required to enforce social distancing and limiting mutual touch points
- Adhere to standard hygiene and social distancing recommendations by [public health officials](#)
 - Limiting to 5 or less people at all times while maintaining 2m separation
 - Handwashing and use of PPE
- Provide hand sanitizer or consider providing face-coverings to those who wish to use it
- Provide a sign-in/out sheet
 - Consider use of [COVID-19 intake information sheet](#)
- Create a cleaning schedule that is also visibly posted with time and signature
 - Cleaning should be done prior to each visit
- Have a [response protocol](#) in place
 - This should address the ability to provide contact tracing details, notification policies, decontamination procedure

Stop the Spread Business Information Line Now Open at 1-888-444-3659 to provide support to Ontario businesses who have questions about the province's recent emergency order to close at-risk workplaces following recommendations by Ontario's Chief Medical Officer of Health.