

Here's how to avoid the dark side of a renovation

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Renovating your house can be one of the best things you could do to uplift your whole lifestyle. When it's all over, many people wonder why they waited so long.

But the renovation business has a dark side — one that annoys and frustrates everyone — especially the many professionals in the field, such as those belonging to the Toronto Home Builders' Association's Renovation and Redevelopment Council.

Here's one example: Sooner or later, every homeowner receives a little flyer in the mailbox from Joe Blow's Construction Company. Joe wants to build you a deck, a new kitchen, an addition. You name it, Joe can do it.

Or there'll be a knock on the door and Joe Blow's salesman will be standing there. "We're in the neighbourhood right now and we wondered if you would like to take advantage of our limited-time specials," he'll say.

Now be honest. Sure you're thinking about renovating. But would you hire a doctor this way? A lawyer? A banker? Of course not.

\$5 million

Torontonians will spend almost \$5 million on renovations this year, according to the Toronto Home Builders' Association's Renovation and Redevelopment Council. But as with any large industry, there are a number of shady operators.

There are several ways in which these characters can dig for dollars during a renovation boom.

- There is simple fraud. The "contractor" agrees to do the job, asks for 60 per cent upfront to buy materials, then disappears.

- Then there is the contractor who completes the job, gets paid for it and quickly vanishes. Suddenly, you start getting letters from impatient suppliers wondering where their money is. And guess what? You're responsible, even though you thought you had already paid for them. Next thing you know, there will be a lien against your property and you won't be able to sell your home without paying it off.

- A shady contractor may cut corners

wherever he can. You pay for first-rate materials, but he buys cheaper stuff and pockets the difference. This guy will be anxious to close up the walls so you or an inspector won't notice the cheap grade of lumber or the poor-quality wiring.

- And then there is the contractor who is "snorkling". This man needs cash flow to keep his business going one more week — your cash. He uses it to pay for previous jobs' materials and hopes another job will pay for yours. He'll go out of business shortly, but you'll be left to pay the suppliers.

- The low-baller is the master of the cut-rate renovation. But as soon as work begins, he starts hitting you with all sorts of extras. Almost everything, you will learn, is an extra.

Looking for a deal

Some people don't set out to botch a job. They have it thrust upon them by a homeowner looking for a deal. Tempting though it may be, don't try to promote a junior carpenter into a project manager, no matter how good a carpenter he is and no matter how much money you think you'll save.

Always make sure your contractor has liability insurance. A Toronto couple didn't

Dealing with bad contractor

"Hey, this is twice the price we agreed upon! There's no *@&%\$ way I'm paying that much!" Sound familiar?

Well if you have a disagreement with your contractor, there are a number of ways to resolve it according to a booklet published by Canada Mortgage and Housing Corporation (CMHC), "How to Hire a Contractor".

The first rule is to be reasonable. Go over the contract calmly and listen carefully to what the contractor has to say. If you are still dissatisfied, seek the opinion of a building inspector, a knowledgeable friend, or if the problems are serious enough, your lawyer.

Delays, poor workmanship and price are among the most common complaints. A well-detailed contract and a good set of drawings and specifications is your best line of defence

— and when the rear of their house collapsed because it had not been properly supported, they were stuck with the bill.

The trouble with the renovation business is that almost anyone can circulate a flyer or advertise in the paper and call himself a renovator. But you can make certain you're hiring a professional, not a "tailgate renovator."

- Never hire someone just because he knocked on your door.

- Check with friends and neighbours for reliable contractors they've dealt with.

- Ask for references and make sure you check them out. Go and see examples of the person's work. Ask him for a bank reference and ask to be connected with a major building supplier. Make sure to check them all.

- Check with the Toronto Home Builders' Association's Renovation and Redevelopment Council. It can provide you with a pamphlet on renovation and a list of its members.

- Be suspicious. If a deal sounds too good to be true, it probably is. Even the clothes the person is wearing and the vehicle he's driving can give you clues. If something doesn't smell right, don't proceed. Go with your instincts and find someone else.

- Insist on the THBA's Standard Renova-

tion Contract.

Reputable contractors look and act like professionals. They have brochures and business cards. They ask for reasonable deposits on the project — usually about 10 per cent, but considerably more if cabinetry and kitchens are involved (since the builder must prepay for such high-ticket items). They use the best materials possible and are fussy about their work. They're usually anxious to have inspectors check the job — as an extra set of eyes to see honest mistakes before it's too late.

Buyer beware

Hiring a renovator is a case of buyer beware. There are many professionals available — but there are also many fly-by-nighters. No amount of government or industry control can ever quite eliminate them.

That's why it's so important that consumers inform themselves fully before hiring anyone. Professionals — and their associations, such as the Toronto Home Builders' Association — are ready and eager to help.

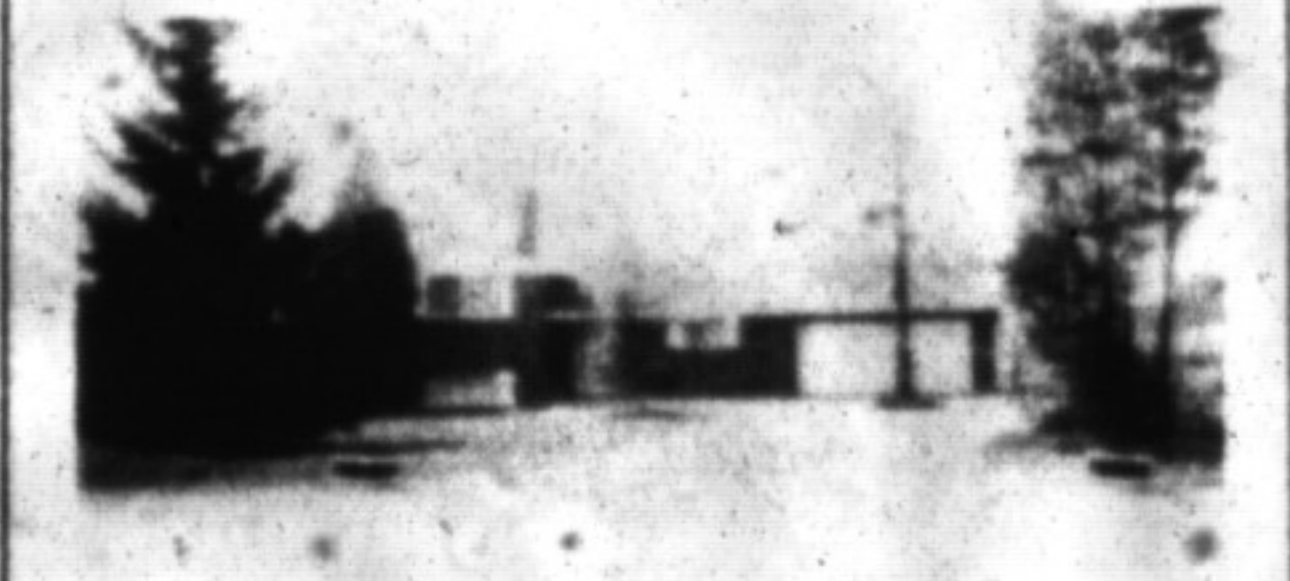
For more information on renovation, call the Toronto Home Builders' Association Housing Information Line — 991-HOME.

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