

Careful planning can minimize areas of dispute

This is the first of a two-part series on common areas of dispute between builders and homeowners. When buying a new house, there are several common areas of dispute that often arise between builders and homeowners. A builder's standard contract may afford no protection in these areas to the purchaser. When seeing your lawyer before you sign on the dotted line, a new home purchaser could include clauses that would help minimize, if not eliminate these areas before a dispute arises.

With these debatable items taken care of, a purchaser can spend more time enjoying his new house, rather than fighting with a "bad" builder.

Workmanship

Workmanship is the art or skill used when work is performed. Because workmanship is qualitative and thus subjective, an owner buying his first new home may take exception to a workman's "rushed" job.

One way to judge a builder's acceptable

level of work is to make sure you inspect several houses being built.

Generally, people are creatures of habit. Therefore, "What you see is what you get." Another way to judge workmanship is to make sure you talk to people who have already bought from the builder.

On weekends, previous purchasers may be landscaping and thus be easier to approach.

Because purchasers may be too embarrassed to admit they had "problems," ask if their neighbors are happy with the builder.

Other sources that have information on builders are: Better Business Bureau; Local building inspector or building department head; Toronto Home Builders Assoc.; sub-contractor on the site; credit check (personal and company) and New Home Warranty Program.

Deficiencies

More often than not, when buying a new house, a purchaser may have to "close" before all work is completed.

This is because outside work (painting,

landscaping) cannot be done during the winter or items damaged during the work process may need replacement or repair. Also a purchaser should check to see if any items are missing (e.g. heating vents, door stoppers and knobs, light fixtures.)

In order to ensure work is completed, a purchaser could make periodic visits to the house and keep a running list of deficiencies. Good builders usually welcome knowing about mistakes before work has progressed too far and compounded the problem.

If the error is caught in time, a minor change may be all that's necessary instead of having to redo all work done later.

The deficiency list should also include the retail value of what it would cost to have a service club complete the work.

A holdback of this money by your lawyer can create an incentive for the builder to finish the house as quickly as possible because his actual cost of doing the work would be less than the retail value held.

Also establish a schedule of when the trades will complete deficient items (a time limit with penalty should be included in your original contract.) Remember, the time you spend at home waiting for an unresponsive builder will cost you in terms of lost opportunities, frustration and possibly money.

Interpretation

Because there is a wide diversity of pro-

Homeowner's Watch

Cheri Strathdee



ducts on the market, it has become increasingly important to explain or set forth the meaning of what you require. It is not good enough to state that you want a product and/or the manufacturer's.

This is because most manufacturers carry a line of that product, whose quality, power, performance, operational ease and price vary greatly.

A builder or sub-contractor will usually interpret your request at the lower end of the line, especially if his price is set.

As an example, if the contract describes a product as wood (oak rails and stairs, garage doors, trim.) Ask what are you really getting? Is the "solid" oak handrail really laminated, are the stairs veneer? Solid oak is very expensive.

Is the wood garage doors really clad-board or is it solid redwood?

If you want to stain your baseboards and other trims, the standard "paint grade" wood mouldings will not do. This is because trim strips are fabricated from smaller

pieces of wood that may be several degrees different in color in their natural state.

The differences in wood color and/or flaws will show through staining, this is why the trim is graded for paint.

The more specific a contract is written, the less chances there is for misinterpretations.

Errors

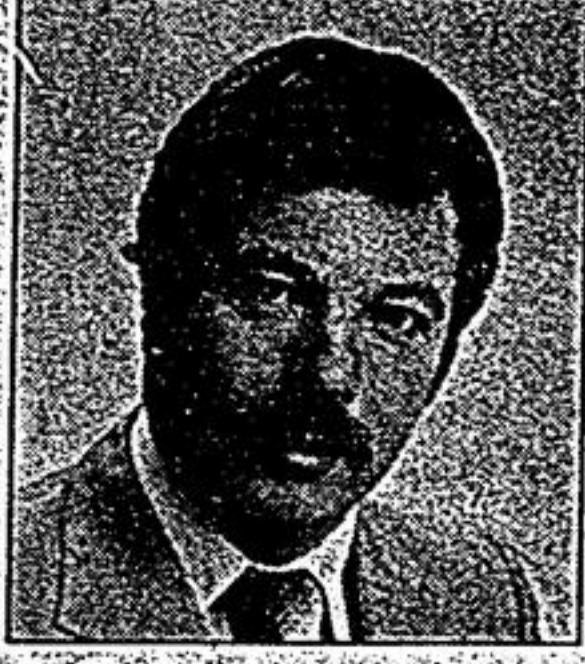
Construction is an imperfect art. This is because drawings may have mistakes on them. The mistakes may either be a calculation or an idea (design) that looks good on paper, but doesn't work in reality.

Also, builders and tradesmen work from other people's drawings. If their interpretation of the drawing is different from its originator, then a mistake may occur.

The idea is to keep errors to a minimum or can the error be turned into an advantage in the final product. If not, what is your recourse and who pays?

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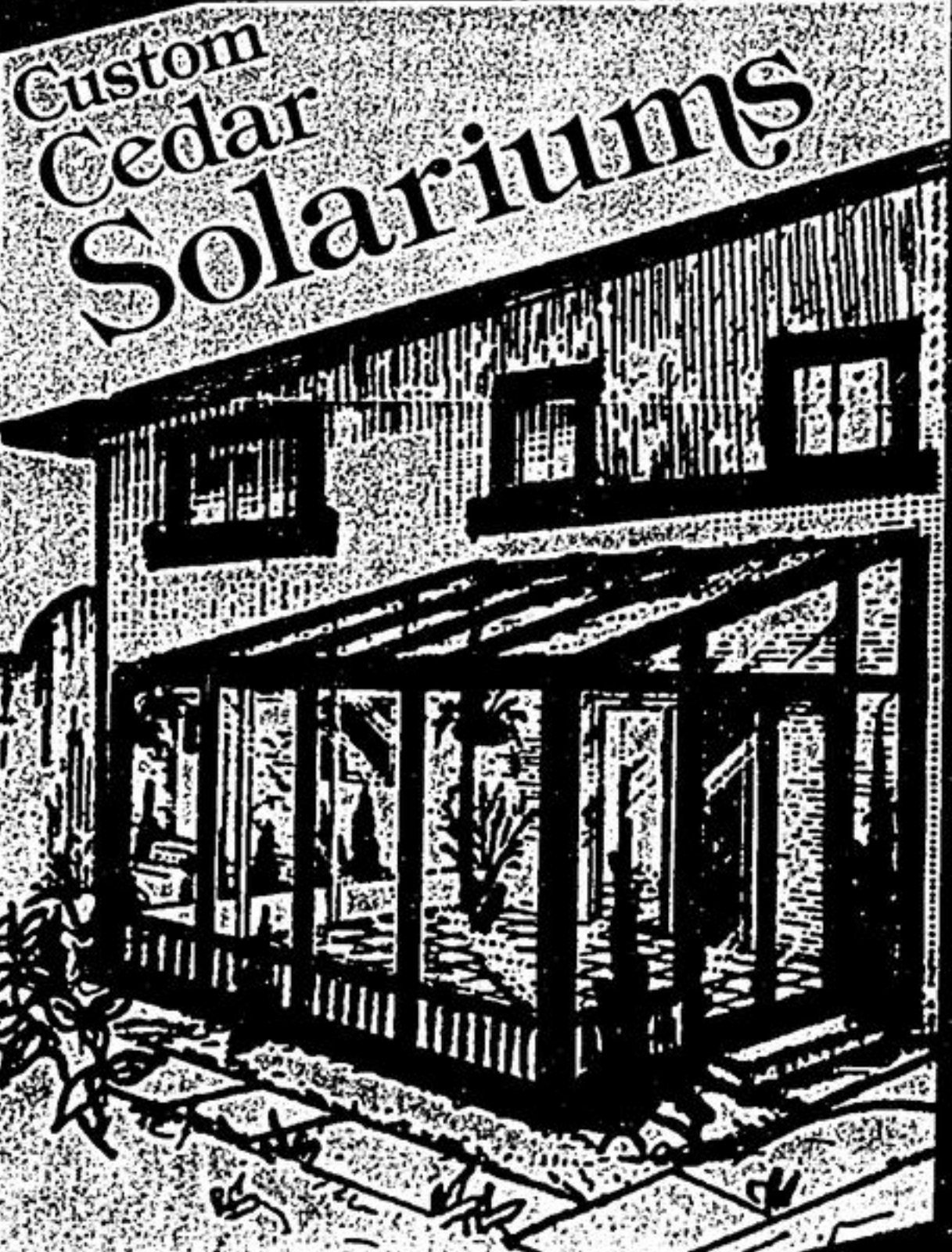
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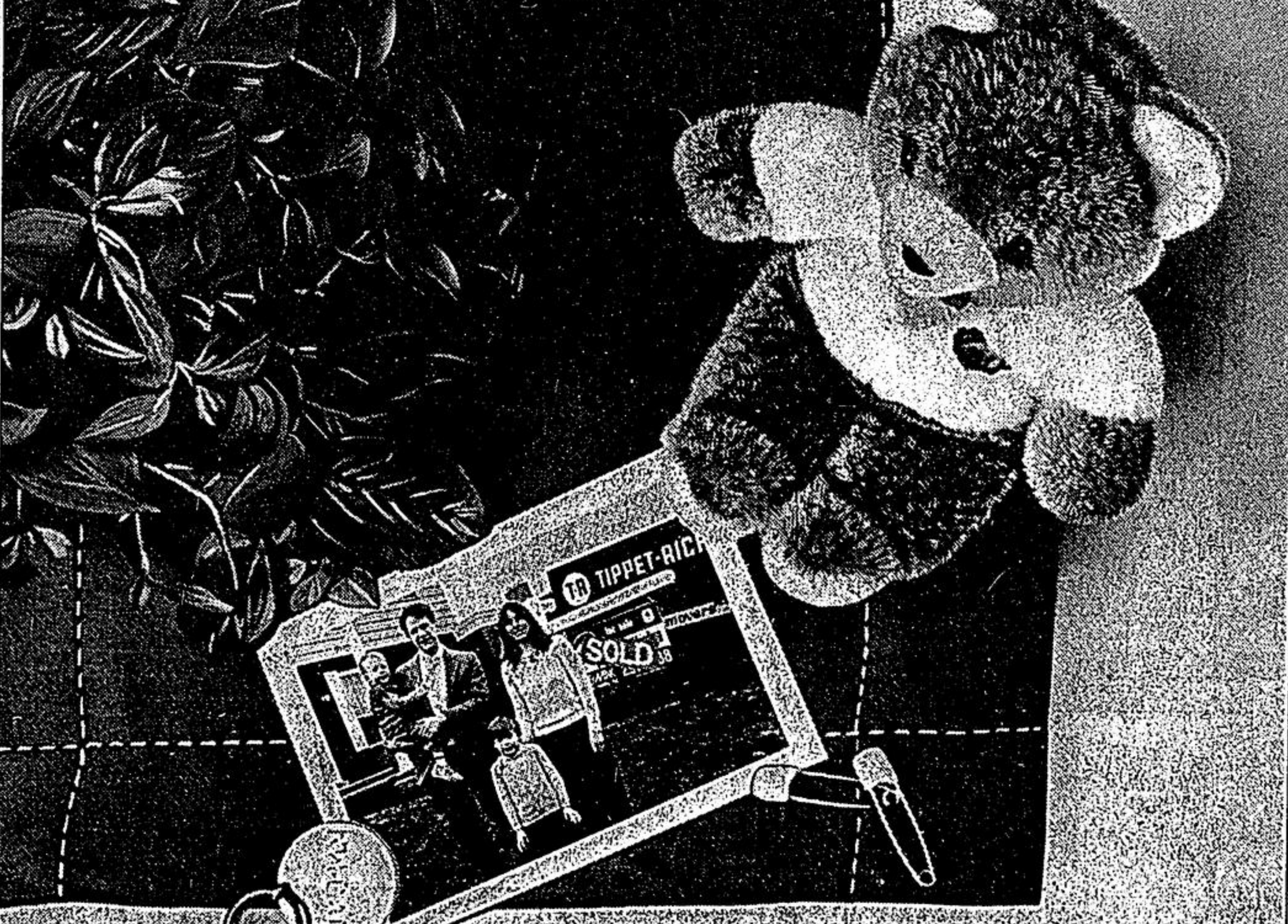
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