

# 'Naive' buyers waiting for construction of condos

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with projected move-in dates of mid 2010.

However, the project was hit by the recession and investor problems to name a few.

"The spring of this year was my target, I truly believed it," Mr. Rossi told the group of angry buyers. "Every time I'm hoping to start, there is always something that comes up."

Last year, Mr. Rossi approached Beaverbrook Homes.

"He needed an expert company to help build the process out," said Peter D'Ambrosio, president of Beaverbrook Homes. "(We are) involved in a joint venture with Rocco and we will be moving forward in the sales and marketing, financing and construction of the project."

When Beaverbrook came on board, Mr. D'Ambrosio said they thought construction would begin shortly thereafter. But in reviewing the plans, a multitude of problems were discovered.

"The drawings were not actually up to standard to make it adequate," Mr. D'Ambrosio said.

## DELAYS LEGAL

In May, the architect and consulting team were fired.

Modifications were made to the plan, which according to Mr. D'Ambrosio rid the facility of inefficiencies that would have eventually been passed on to the condo owners. The changes also enabled Beaverbrook to add three more units to the building without losing any of the amenities.

"Without the changes we made, it likely would not have been viable," Mr. D'Ambrosio said. "I think (Mr. Rossi) had a good vision. It was a big risk to put something like this in the community because it was the first of its kind in this community. He didn't have the technical expertise to execute the project, but he certainly had the vision, which is sometimes more important."



STAFF PHOTO/SJOERD WITTEVEEN

Beaverbrook Homes president Peter D'Ambrosio (bottom left) explains delays to anxious Terrace On Rouge Creek condo customers during a ground-breaking ceremony on Baker Hill Boulevard Tuesday. He promised better communication with buyers in the west-end project.

The Andertons bought into Mr. Rossi's vision in March 2009. The couple was looking to move closer to their children and grandchildren who live in Aurora.

The couple sold their home in London, Ont., and headed to Florida for their annual snowbird vacation.

While down south, the Andertons were notified by the developer their occupancy date had been changed to December 2011. They were originally scheduled to move in between June and August of this year, according to Mrs. Anderton.

The couple also learned their Stouffville rental home would not be ready for them when they returned in April.

"That was another big jolt," Mrs. Anderton said. "We had to change gears and make other plans, which we did."

The couple moved in with their children.

"We didn't want to stay there any longer than necessary. ... We have a great rapport, but didn't want to do that," Mrs. Anderton said.

The couple ended up buying a home in Northern Gate in east-end Stouffville. They moved in at the end of April.

The Andertons are not the only people to now own a home and a

condo in Terrace on Rouge Creek.

One man at the ground-breaking, who purchased his condo in the summer of 2009, sold his principal residence in Newmarket, but because of the delay to the condo, he bought another home. He would not give his name.

*While down south, the Andertons were notified by the developer their occupancy date had been changed to December 2011. They were ... scheduled to move in between June and August of this year,*

"I cannot own two houses," he said, adding he plans on selling the condo unit once it is built.

Construction delays are nothing new, especially when it comes to condominiums.

Many of the delays are market-related. Before any financial investments can be made and construction begins, a certain percentage of the units must be pre-sold. When developers bring a project to mar-

ket, they do so assuming they can sell 60 to 80 per cent of the units within a timely fashion, according to Mr. D'Ambrosio.

But sometimes things like a recession delay projects.

According to Tarion, which is responsible for administering the Ontario New Home Warranties Plan Act, when it comes to purchase agreements signed on or before June 30, 2008, every condominium purchase agreement will include either a confirmed occupancy date or a tentative occupancy date.

Among the reasons purchasers can make a claim of delayed occupancy is if they have not received proper notice of delay or if the delay exceeds the maximum permitted.

"From a legal perspective, there is nothing Rocco did, from a legal point of view, to allow the purchasers to walk away from the deal," Mr. D'Ambrosio said. "The naiveté of the purchasers may have contributed to their issues."

Mr. D'Ambrosio did, however, say Mr. Rossi should have communicated better with the purchasers.

In an effort to try and correct this, Mr. D'Ambrosio assured purchasers Tuesday afternoon his company would be in contact with them within seven days to notify them of a meeting date, which is to

take place seven days after that.

Although that helped ease some of the buyers, one person replied: "We'll start feeling better when we see the machines digging."

With Beaverbrook taking the lead on the project, Mr. D'Ambrosio expects construction to begin in late November. Building permits, which he said are the only things stopping them from starting construction now, are expected from the town anytime.

## SPRING 2012 COMPLETION

"We're very excited about this building because it looks like it's coming to fruition," said Mayor Wayne Emerson, who attended the ceremony "We've worked very hard to get them into the ground as quickly as possible."

Once construction begins, build-out is anticipated to be completed in 16 months, which means people will be able to move in around April or May 2012.

"People are going to be quite pleased with the results," Mr. D'Ambrosio said.

Mrs. Anderton is not sure what they will do once their unit is ready. But she does know one thing for sure: "Buyer beware. As much investigation as we did, it didn't solve all the problems."

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