

3335 Yonge Street Toronto



Prepared For:

Mr. & Mrs. Smith

Delivered By Email:

XXXXXXXXXXXXXXXXXX

Prepared By:

Name of Inspector

XXXXXXXX.

RENOVATION DISPUTE SPECIALISTS

3335 Yonge St, Suite #402

Toronto, Ontario

M4N 2M1

P: 416-483-3550

TABLE OF CONTENTS

1. INTRODUCTION
2. BACKGROUND AND CHRONOLOGY OF EVENTS
3. MANDATE AND SCOPE OF REPORT
4. APPLICABLE BUILDING CODES AND STANDARDS
5. SITE CONDITIONS/DEFICIENCIES/OUTSTANDING WORK
6. SUMMARY AND ADDITIONAL COMMENTS & RECOMMENDATIONS
7. APPENDICES

1. INTRODUCTION

1.1 Parties in attendance

Mr. & Mrs. .Smith.

R.D.S. Representative

1.2 Parties involved in dispute

Mr. & Mrs. Smith (homeowner)

Xxxxxxxx Contracting (Contractor)

1.3 Description of site

Detached single storey Solid Masonry House
For purposes of this report front of house faces south

1.4 The following report addresses the Renovation Dispute Specialists observations and determinations.

2. BACKGROUND AND CHRONOLOGY OF EVENTS

Based on information provided by the owner and our onsite non-intrusive inspection, a brief overview of the issues at hand is as follows.

2.1

- (i) Mr. And Mrs. Smith (Homeowner) entered into a written contract with Xxxxxx Contracting (contractor) to provide renovation services at the above captioned address.
- (ii) The renovation was to take three months and the contractor was informed that this was a very tight time line as they had to vacate their present living accommodations on a particular date.
- (iii) The contractor assured the homeowner that this was not a problem and the time line could be met with in the time lines.
- (iv) Within in a very short time of the start of the project, the home owner expressed their concerns to the contractor regarding the lack of progress and no workers being on site for extended periods of time.
- (v) The contractor kept assuring the homeowner that they should not be concerned but also demanded more money upfront in order to proceed.
- (vi) When it became apparent to the homeowner that the project would not be completed on time they had no alternative but to terminate the contract. They then had to find another contractor to complete the project at additional expense and disruption.

2.2 Scope of Work

- (i) Totally renovate main floor washroom
- (ii) Reconfigure master bedroom to allow for the installation of ensuite washroom
- (iii) Remove all old wall finishes in basement, insulate exterior walls and cover walls and ceiling with drywall
- (iv) Upgrade wiring in basement
- (v) Install new windows as specified to entire house

3. MANDATE AND SCOPE OF REPORT

3.1 Mr. & Mrs. Smith retained the services of RENOVATION DISPUTE SPECIALISTS to conduct a review of their ongoing renovation at the above address. The review was to address their concerns regarding construction defects, incomplete items and poor workmanship issues,

3.2 To clarify the scope of work

- (i) To clarify the scope of work and to limit this report to the scope of work performed within the parameters of the supplied estimates
- (ii) To identify any uncompleted items:
 - a. which fall within the building standard of new construction
 - b. which was a contractual obligation
- (iii) To identify substandard quality workmanship including the itemization of construction defects
- (iv) To comment on the viability of the extra charges applied to the project and extended time lines
- (v) To determine if systems and components were installed in accordance with the architectural plans, construction specifications and other project documentation
- (vi) to prescribe the most cost effective and reasonable remedy for any required remedial work

3.3 Limitations of this report

This report is limited to the visual nature of the inspection of the dwelling. No intrusive measures were undertaken to determine all aspects of the renovation. This report represents our assessment based on our site visit and supplied documentation. The issues listed herein represent the minimum work required to complete the project in accordance with the contract and scope of work.

3.4 This report is not to be construed as a warranty that the work performed to date has been constructed in accordance with outlined scope of work, plans, specifications, building codes or other authorities having jurisdiction.

3.5 Documents and available information provided to R.D.S.

DATE	DESCRIPTION OF DOCUMENTS
2016	Copy of signed contract
2016	Copy of plans and specifications
2016	Copy of construction permits
2016	Payment schedule
2016	Statement of Claim
2016	Statement of Defense and Counterclaim
2016	Correspondence between Homeowner and Contractor
2016	Information obtained from client that was deemed to be true and accurate

4. APPLICABLE BUILDING CODES AND STANDARDS

4.1 Required Municipal Inspections

The municipality is required to inspect all buildings in the province of Ontario as per requirements under 2.4.5.

- (a) Ontario Building Code 2006
- (b) Ontario Electrical Safety Code 2000 Authority for Rules
- (c) Ontario Gas Code & Energy Act CAN/CGA B149 Standard
- (d) Ontario New Home Warranty Program (Tarion) construction performance guidelines
- (e) Quality Standards (based on recognized workmanship and industry standards)
- (f) Numerous other associations and organizations

4.2 Workmanship/Standards

- (a) The builder/contractor has an obligation to provide good workmanship and a safe working environment for both the homeowners and contractors on site.
- (b) The builder/contractor is required to adhere to all relevant building code compliance items regarding all aspects of the construction project.
- (c) Any changes to the agreed upon scope of work will be discussed with the client before changes are effectuated and shall be confirmed with a written change order.
- (d) The builder/contractor must install all materials and equipment as per manufacturer's specifications to ensure compliance with warranty stipulations.
- (e) The builder/contractor has a contractual responsibility to complete the project as per supplied drawings, signed contract and verbal interactions with the homeowner/client.

4.3 Cost/Budget Estimating

Cost estimates provided in this report are based on the following:

- (a) Licensed tradespeople performing all the work.
- (b) All work performed will be under the supervision of a working general contractor who will be undertaking the bulk of the work.
- (c) All workers to be fully insured, bonded and covered under Workers Compensation.
- (d) Quality of work and material consistent with what was intended.
- (e) The purchase of all materials including the time taken to deliver to the site.
- (f) Budget estimates are based on industry standards for similar work provided.
- (g) A more detailed estimate is recommended prior to construction after a review of plans, specifications and contract documentation.
- (h) RS Means Residential Cost Data edition 2015.
- (i) Personal construction experience, project management projects.

5. SITE CONDITIONS/DEFICIENCIES/OUTSTANDING WORK

5.5.6 Window Leak



FINDINGS

The following observations were noted: Additional Costs Incurred by Owner

Building Code/Current Standards	Basement windows improperly installed and not protected from water during construction
O.B.C. Determination	O.B.C.9.20.14.2 <i>Protection from water during work</i> <i>The top surface of uncompleted masonry exposed to the weather shall be completely covered with a waterproofing material when construction is in progress</i>
Correction/Remediation	Owner had to engage another contractor to complete work that was specified in contract and improperly installed
Cost Allowance	\$5878.00

5.3 Works Not as per Stamped Drawings

5.3.1 Roofline



FINDINGS	
The following observations were noted: Work Not as per Stamped Drawings	
Building Code/Current Standards	Improper roofline (roof does not cover porch)
Determination	Roof line not as per stamped approved drawings
Correction/Remediation	Reconfigure roof line to design specifications. This will require restructuring roofline to reflect original design as per approved drawings.
Cost Allowance	\$30,000.00 (approximate) Obtain quotes
See Appendix	Appendix #7.2 (iii)

6. SUMMARY AND ADDITIONAL COMMENTS AND RECOMMENDATIONS

6.1

Any deficiency which would affect reasonable habitability of the building or compromise the function of a given system is noted herein.

The required repairs to the dwelling include, but are not limited to, what is purported herein due to the limitations of the visual inspection. This report remains the opinions of RENOVATION DISPUTE SPECIALISTS

6.2 Financial Summary

This financial summary is based on information provided. No invoices or evidence of payments was supplied. A review of these documents or a forensic audit was not conducted.

Original Quotation	\$000.00 - \$000.00
Payments to Date	(\$00.00 - \$00.00)
Balance	\$000.00 - \$000.00
Credit	(\$00.00 - \$00.00)
Amount in Dispute	\$000.00 - \$000.00
Value of Deficiencies	\$000.00 - \$000.00
Value of Uncompleted Items	\$000.00 - \$000.00
Unverifiable Invalid Extras	\$000.00 - \$000.00
Total Disputed Items	\$000.00 - \$000.00
Project Management Fee 15%	\$000.00 - \$000.00
Sub Total	\$000.00 - \$000.00
Total Disputed Amount	\$000.00 - \$000.00

HST Excluded

Legal Report for Mr & Mrs Smith

3335 Yonge Street- ADDRESS

DATE 2017

6.3 Project Management

The purpose of the project manager is to guarantee that the construction project proceeds to the accepted time line and budget outlined in the signed contract or estimates.

It is also the responsibility of the manager to ensure that all aspects of the project are coordinated with all trades involved and to determine if said trades are fulfilling their obligations. If deficiencies are apparent, it would be their responsibility to have these deficiencies addressed in a timely and cost efficient manner.

For a project to reach a satisfactory conclusion the interaction and communication with the owner plays a very important role.

The identified deficiencies outlined in this report, would indicate a lack of coordination and cooperation, coupled with apparent poor project management has resulted in an end result that is unsatisfactory. There is a high probability that certain defects and uncompleted items may have gone unnoticed due to the latent nature of construction deficiencies.

It must be understood by all parties that this report underscores the **minimum** completion and correction requirements.

6.4 Remedial Work in Occupied Homes

The correction of construction defects associated with unfinished building projects is usually very time consuming.

Building contractors are generally reluctant to get involved in construction projects which have soured. As a result, costs to repair and complete the project will be marginally higher than market value.

The firm contracted to undertake the remedial work will not realize the same savings or economy of scale enjoyed by the original contractor. Each task will have to be dealt with on an individual basis. All repairs and completions will have to be done on a customized basis. As such, the costs to complete the dwelling in a good workmanlike manner will be much higher. It is expected that when there is a change in management or supervision of a building project, there will be a certain amount of double work and duplication of effort. The new contractors and sub-trades (i.e. heating technician, plumber, electrician, etc.) will want to provide a thorough review of the systems in place before proceeding with new work. This is necessary so that the new sub-contractors can provide reasonable guarantees for the performance of the completed work. This is another reason why the cost to complete the project will be much higher.

The correction of construction defects in fully furnished, occupied houses is time consuming and therefore costly. Extreme care must be exercised by the workers not to damage furniture or floor finishes. The contractor will have to continually keep the site clean to avoid mishap.

6.5 Remedial Work with Unfinished Building Projects

The correction of construction defects associated with unfinished building projects is usually very time consuming.

Building contractors are generally reluctant to get involved in construction projects which have soured. As a result, costs to repair and complete the project will be marginally higher than market value.

The firm contracted to undertake the remedial work will not realize the same savings or economy of scale enjoyed by the original contractor. Each task will have to be dealt with on an individual basis. All repairs and completions will have to be done on a customized basis. As such, the costs to complete the project in a good workmanlike manner will be much higher.

It is expected that when there is a change in management or supervision of a building project there will be a certain amount of double work and duplication of effort. The new contractors and sub-trades (ie. heating technician, electrician, etc.) will want to provide a thorough review of the systems in place before proceeding with new work. This is necessary so that the new sub-contractors can provide reasonable guarantees for the performance of the completed work. This is another reason why the cost to complete the project will be much higher.

Should you have any concerns regarding the opinions and recommendations stated in this report, we encourage you to contact us prior to undertaking any work associated with our report. This will help you to avoid any unnecessary work, labour or cost.

Every effort has been made to provide this report with the most accurate and practical information for the purpose intended.

Thank you for your consideration of RENOVATION DISPUTE SPECIALISTS if we can be of any further assistance; please do not hesitate to call. We will remain available by telephone to you and your legal counsel throughout the term of this matter at no extra expense.

We do remain available for court testimony, upon request. Extra charges of \$1,500.00 + HST per day will apply

Yours truly,

RENOVATION DISPUTE SPECIALISTS

A division of The Canadian Building Consulting Group Inc.

Insert Name

Insert Title

7. APPENDICES

7.1 Construction site plans

7.2 Work not as per stamped drawings

7.3 Construction contract

7.4 Payment schedule

7.5 Additional costs Schedule