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## Building a litany of broken promises

### Young couple walk away from deposit in home-buying nightmare

When Christopher and Kelly decided to move out of their downtown Toronto apartment and buy a house last spring, they scouted out a number of construction sites in Mississauga and finally settled on one. The young couple signed a typical new home agreement of purchase and sale that is heavily weighted in favour of the builder.

When I reviewed it with them at the time, I gave them a written list of my concerns, including the usual possibility of a delayed closing, the extra costs buried in the fine print, and the possibility of a variance in the actual house size.

As the house neared completion in early summer, Chris and Kelly began to experience what I can only call every homebuyer's nightmare, and their experience can serve as a useful lesson for all buyers of new homes.

At the sales office, Chris and Kelly were promised that the house would include hardwood strip floors rather than the standard hardwood parquet tiles. Several weeks later, the sales person denied making the promise. After much yelling and screaming on the phone, Chris and Kelly arranged for their own contractor to install strip hardwood after closing at half of the builder's quote.

The house had space for a built-in dishwasher in the kitchen, but they were later told that plumbing and electricity to the location were an extra \$250. They paid it.

Tiles of a colour other than the builder's standard were an extra \$1,700 for the same quality. They took the standard tile.

One colour of paint is available throughout the house. They had to pay an extra \$750 for a different trim colour.

The house comes with a separate fruit cellar below the front porch, but the builder wanted \$650 to put a door on it. The room was built without a door.

At the sales office, the purchasers were told that installing tile on what is referred to as "the balance of the foyer" was included at no extra charge. By the time they showed up to pick final colours some weeks later, the item was not included and the price had mysteriously increased from zero to \$1,100.

The purchasers paid \$1,075 to replace two small kitchen windows with one large one, but the builder forgot to do it.

But the biggest issue of all was the measurements. At the time of sale, and again at the time of choosing colours, Chris had asked for blueprints of the house but was told firmly that this was not possible even though the plans are filed with the city, along with the application for the building permit. The discussion was triggered by my review of the offer, and a notation on the sales brochure indicating that "all floor plans, renderings and illustrations are only artists' interpretations and may vary in size from the stated floor area."

Chris told the sales representative at the site office that he and Kelly did not want any surprises and that if a room size reads 12 feet by 20 feet, it should be just that give or take a few inches. She confirmed that the room sizes would not vary by more than three or four inches.

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On the floor plans for their new home, the great room was shown to be 12 by 20 feet. When the house was finished, the room measured 11 1/2 feet by 18 feet a shortage of 33 square feet. The upstairs den on the plans was supposed to be 10 feet square, but on completion it was 10 by 8 feet a shortage of 20 square feet.

The total square footage of the house was supposed to be 1,600 square feet, but in these two rooms alone the shortfall was 53 square feet, or more than 3.3 per cent of the overall size, according to my calculations.

When I asked the builder to comment on the litany of complaints Chris had prepared, he stated that the home size had only been reduced by "approximately 1.5 per cent."

Back in 1990, the Ontario New Home Warranty Program developed a set of voluntary guidelines on floor area calculations so every builder would be calculating building sizes in the same way. The guideline, in Builder Bulletin 22, states, "A tolerance of 2.0 per cent on the total area measurement is acceptable." But it does not say to whom this is acceptable the builder or the buyer.

I suppose a "tolerance" of 2 per cent is acceptable to the buyer if every room is off by only one-quarter inch for every linear foot of space. But when the full 2 per cent of the house comes off just one room, the results can be disastrous. A shortage of the 2 per cent "tolerance" on a 1,600-square-foot house can result in a 32-square-foot size reduction on a 100-square-foot den. The permissible tolerance now becomes 32 per cent on just one room, not 2 per cent.

Chris and Kelly were so furious with the builder and disappointed with the finished home that they eventually agreed to walk away from the contract and their \$5,000 deposit.

The builder wrote me that his company believed the purchasers were seeking justification to get out of their deal but agreed to release them from the agreement "to maintain its excellent reputation of quality service and public relations with its consumers."

This particular builder has a lengthy record of an "excellent" rating for after-sales service with the Ontario New Home Warranty Program.

Chris and Kelly later bought a finished new home from another builder.

They have moved in and are thrilled with it. They asked me to tell their story in this column to inform other young and vulnerable buyers who might find themselves in a similar situation.

"If we can help educate them," Chris says, "then we have met our objective. We work too hard for our money to make this kind of investment and fall short on our end of the deal because we did not pick up on their cleverly crafted subtleties."

"We made a very large investment in their company," Chris adds, "and they betrayed our trust."

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