

# **THE CONTRACTOR: WHAT TYPES OF THINGS GO WRONG**

by  
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Sometimes, the things that can go wrong during a renovation or construction project are glaringly obvious to the consumer. Other times, there may be subtle clues that raise suspicion of concealed problems. When a consumer loses confidence in the professionalism of the contractor, negotiations may break down, work may be halted and the fear of litigation is in the air. Whether problems are obvious or suspected, things do sometimes go wrong and must be resolved with the contractor. This article will address some of the problems I have encountered when inspecting new work and renovations for both homeowners and prospective buyers.

In order to evaluate the performance of your contractor, one should begin with a description of the “best guy for the job.” In my opinion, if you are dissatisfied, you should consider how your contractor measures up to the following list of desired qualities:

- A written proposal
- A written agreement
- A minimum one-year warranty
- A provision for change orders
- A time-table for the work to begin and end
- A payment schedule
- A statement that the contractor will pay all subcontractors and suppliers
- A copy of an general liability and workers compensation policies
- An agreement to obtain all permits
- A complete understanding of the plans and specifications
- A valid license
- A list of references
- Professional affiliations
- Continuing education
- Leadership skills
- Job supervision skills
- Effective communication with the consumer
- Creating realistic expectations
- Diplomacy, a willingness to resolve disputes
- A desire to gain the consumers respect for future referral
- Compliance with OSHA job site safety requirements
- Up-to-date tools, equipment and vehicles
- A clean work site
- A best practice mentality

## **DO YOUR HOMEWORK.**

For the consumer, home construction and renovation can be a stressful experience, ripe with misunderstandings of the complexity of the construction process and the plans and specifications. Make every effort to choose the best contractor for the job and familiarize yourself with the proposal, the contract and the entire project from ground breaking to occupancy. Hopefully, your contractor will be a professional who will provide what was promised and all of your expectations will be met.

## WHAT DO I DO IF THINGS GO WRONG?

The best strategy is to avoid problems to begin with. But, when things do go wrong, the least costly route is to try and resolve your complaint with the builder. Otherwise, stop work delays and law suits may cause further stress and financial loss. Yes unscrupulous contractors and remodelers are out there and there is always the risk that you could be victimized by the “fly-by-night” scam artist or volume builders.

However, I must say that the majority of builders / contractors whom I have met are true professionals who take great pride in their work and value the opinion of their clients for future referral. The best guys closely monitor the construction project and perform a very diligent final punch-list of problems to be resolved prior to a home inspection. Home buyers and home owners must understand that the task of a builder is similar to an orchestra director who must oversee the myriad components into a meaningful new home or renovation. The task is so enormous that a punch-list should be expected, but also should be acted on. According to the National Association of Home Builders ([www.nahb.com](http://www.nahb.com)) “The typical house contains more than 3,000 different parts. These components must be assembled with skill to form the new product you will call home. It would be unrealistic to expect your new home to be perfect. Even the best built homes are likely to need a few adjustments.”

### Here is a list of things to do when things go wrong:

- Don't wait, act immediately.
- Try to verbally resolve the problem with the builder.
- Review the contract and specifications with the builder.
- Also document your complaint in writing for future use.
- Keep a diary of all conversations and communications.
- Take photos of your concerns (unsuitable workmanship or materials).
- Set a deadline for resolution.
- Give the contractor a chance to fix the problem.
- Consider withholding payment until the dispute is resolved.
- Consider speaking with the local building inspector for support.
- Consider hiring your own expert to evaluate the problem.
- Speak with your attorney.
- Fire the contractor as a last resort.
- File complaints with the Licensing Board and the Better Business Bureau.
- Contact your state Attorney General.

## WHAT ARE TEN MOST TYPICAL THINGS THAT GO WRONG?

**1.) PERMIT PROBLEMS:** A permit should be obtained by the licensed contractor for each and every construction project – not by the homeowner. The building permit is an assurance of safety and is for the protection of the public. To obtain a permit, the contractor must agree to perform all work in compliance with the provisions of the building code.

During the many years I have been doing home inspections, I have discovered a “lack of a permit history on-file” for renovations such as a finished basement, new deck, new roof, structural modifications and changes in the mechanical systems. Yes, a permit is required for a new roof and for the replacement of a furnace or water heater. If you let the contractor talk you into the belief that no permit is needed, RUN – hire a different contractor! Let me give you an example of a no permit problem. Suppose the basement is finished without a permit, and faulty wiring behind the new finished



walls causes a fire, your insurance company will certainly research the legality of the finished basement and you may be uninsured! In another scenario, all homes in your town undergo a reappraisal; the local appraiser examines every room in the home and finds no record of the finished basement. You could be made to tear-out the finished basement or to pay taxes in arrears.

Homeowners with the do-it-yourself mentality often will replace an entrance staircase or build a new deck without hiring a contractor and without obtaining a building permit. Imagine the liability the homeowner faces if the structure collapses when the delivery man walks up the steps or the family gathers on the deck for a summer cookout. The permit process can prevent property damage and personal injury, and if you accept work done without a permit, you are “rolling the dice” regarding things that could go wrong.

2.) **SITE DRAINAGE PROBLEMS:** Another widespread problem that goes wrong during the construction of a new home or addition is site drainage. In an ideal world, the yard and perimeter gardens on all four sides of a home should direct surface water away by gravity flow; water runs downhill (see illustration).

Some contractors fail to properly refill and compact the earth around the perimeter of the new foundation, resulting in soil settlement and the creation of a “moat around the castle” (See photos). We home inspectors call this problem “reversed grading,” and it is notorious for causing wet basement problems and disputes between contractors and homeowners.

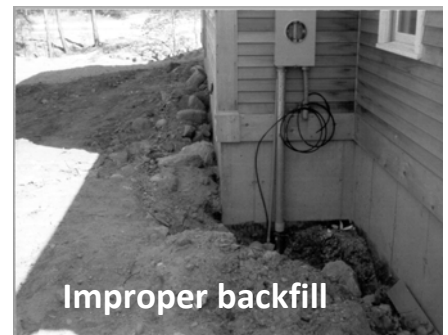


Sadly, I have seen many homeowners fall prey to the radio ads and spend thousands of dollars on a basement waterproofing system, when exterior site drainage corrections may have solved the problem.

Your contractor should backfill the earth around the foundation in stages (called lifts), and as each new layer of earth is backfilled, it should be mechanically compacted to retard future settlement. Simply running the bulldozer over the earth to compact it is inadequate. The earth used to backfill should be free of large rocks or boulders that may harm the foundation or create voids that retain water. (See improper backfill photo)



Another frequent site drainage problem grows in the backyard when it is necessary to install a new septic system. The bottom on the new system must be four feet above the water table, often necessitating the installation of a “mounded system” (See photo). Once again, water runs downhill and if the contractor does not consider the implications of the overall site drainage alteration, the poor homeowner may be bailing out the basement each time it rains.



All homeowners have the expectation of a dry basement, and when things go wrong, disputes with contractors create confrontations. Site drainage problems can result in wet basement problems. Wet basement problems can result in mold problems, health issues and depreciation in the value of the home.

Moisture and moisture related problems are the most frequent issues discovered during a home inspection. For that reason, those who hire a contractor to build or renovate should hire their own independent expert to evaluate the project when completed and before the one-year warranty expires. Home inspectors offer objective and impartial advice to aid your negotiations with a contractor.



**3.) ROOF, FLASHING & SIDING LEAKS:** Things do sometimes go wrong with a new roof. A good roofing contractor will obtain a permit and will follow the manufacturer's specifications when preparing and installing a new roof covering. When contractors fail to follow "best practices," the home may be damaged by water infiltration and the shingle manufacturer's warranty may be voided, leaving the poor homeowner with a soggy paper trail of frustration when trying to resolve the problem with the contractor and the insurance company (See photo).



Roof leaks can lead to structural damage, wet insulation, mold, ceiling damage and so on as the water seeks a level of lower elevation (your wallet). Did you know that all wet insulation and wet drywall should be removed and replaced because the materials in each are a food source for mold? The cascading effect of roof leakage can go very wrong very quickly, resulting in potential health issues and property depreciation.

Below is a photo of a new roof. The contractor did not obtain a permit and did not follow the manufacturer's specifications for installation, resulting in litigation, delays and total replacement. In the photo, required metal drip edge flashing along the eaves and rake edge trim boards was omitted, the tail ends of the rake edge trim boards were not covered with a piece of shingle and the row of shingles were not properly staggered to shed water. Things went very bad!



Did you know that flashings are supposed to shed water? Things frequently go wrong with roof flashings and problems can often typically be found at chimneys, skylights, plumbing vent pipes and skylights. If something penetrates the roof, it must be protected from leakage, and there are best practices and specifications for each application. As a home inspector, I have witnessed all kinds of flashing errors and omissions resulting in water damage and ruined new homeowner expectations. Just imagine your reaction if you moved into your newly constructed or renovated home only to discover a water stain on the ceiling after the very first rain storm?

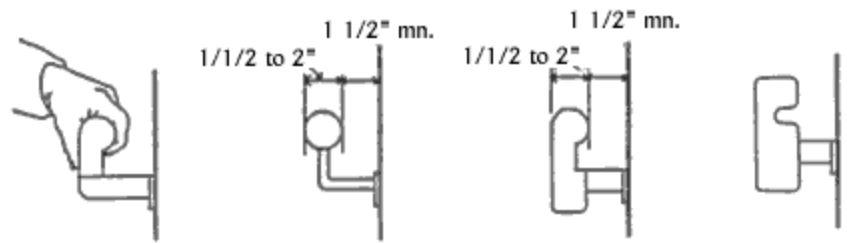


While roof and flashing leaks are easily recognized as water drips on your head, the scope of needed repair is actually undetermined and the answer may further "rain on your parade." Sometimes repairs can easily be performed from on the roof, while other times there may be suspected concealed damage or installation errors requiring exploratory surgery on the home. Sadly, replacing rotted out roof decking can only be done by tearing apart the roof and represents a revolting development for any homeowner. Hiring a professional home inspector to help diagnose the problem may give you peace-of-mind.

**4.) UNASFE STEPS AND HANDRAILS:** By far, one of the most deadly safety hazards reported by home inspectors is defective steps and handrails. Building codes are very specific on the required specifications for stairs and their headroom, treads and risers and handrails; but a failure to conform to the code or the continuance of poor past practice or of local enforcement can make a construction project go wrong. Home inspectors perform a safety inspection and if a staircase poses a risk of personal injury, urgent repair is advised. Would you care to be involved in a personal injury slip, trip and fall claim because your stairs were proven to be defective? Even a simple omission of the correct dimension of the handrail is critical. Did you know that a handrail must be “graspable,” continuous and must return to the wall or post at the top or bottom of the stairs? Take a look at the handrail on your deck stairs, and if you see a 2 x 4 or a 5/4 x 6 inch board as a handrail, it is not graspable and is a safety hazard. (See photo and illustration below)



**Non-graspable handrail**



**Graspable handrail**

When things go bad regarding steps and handrails, PEOPLE GET HURT! If you have a dispute over a staircase defect, make every effort to resolve it with the contractor immediately as safe stairs are a required means of egress from the home. If necessary, contact the local building inspector and request an on-site inspection as he or she has the authority to make the contractor conform to the requirements of the building code.

**5.) NEW PLUMBING LEAKS:** When a new home is constructed, the plumber is required to seal the new water pipes and the drain, waste and vent pipes to perform a pressure test. Air is forced into the pipes and it must remain there for a typical 24 hour period until verified by the local plumbing inspector. Life is good so far and the air is released.

Later, along comes the drywall contractor to drive screws through the new wall and ceiling coverings, and the electrician to drill holes in the framing to run wires and you guessed it by now. Oops, a hole was mistakenly made in the piping that may go unnoticed until the home is completed. After the mechanical systems and the interior of the home are completed, along comes the plumber to perform final fixture installations and the plumbing inspector to perform a final inspection. Neither has run the dishwasher through a full cycle to check for leaks, neither has filled the whirlpool tub to check for leaks and neither has checked all shut-off valves, fittings and traps after the home is completed. Countless times I have run the appliances and fixtures only to discover a puddle on the new floor or a stain on the new ceiling.

Plumbing leaks can cause minimal or extensive water damage depending on location and date of discovery. If things go bad with the contractor, the problems must be resolved in a timely and professional manner – give the guy a chance to “make it right.” Crucial is your responsibility to perform a final walk through inspection the day before passing papers on a new home. Test everything you can for leaks, but still hire a home inspector who is a trained expert with a nose for locating problems.

**6.) FOGGY WINDOWS:** The windows in all new homes and additions today have insulated glass consisting of multiple panes of glass with a gas sealed within. I am sure you have seen a window with a foggy appearance that never goes away - things have gone wrong.



The seals around the edges of the window have failed, allowing moisture to enter and condense resulting in the permanent cloudy appearance. We home inspectors call the defect “failed seals,” but for the homeowner, things have gone wrong as glass replacement is needed to correct the problem. (See photo) And, when multiple windows are defective, a little multiplication will quickly reveal an expensive budget item to be considered.

Failed seals in new windows, sliding glass doors and skylights are a widespread problem that can depreciate the value of a home. Contractors are very familiar with such problems and should assist you with glass replacement, but only if discovered during the one-year warranty period. So, be diligent and document such problems if things go bad.

**7.) WET BASEMENTSTS:** Wet basement problems are prevalent in new construction. As discussed in section #2 above, nothing upsets a new homeowner more than moving into the home to find a wet basement. After accomplishing the task of monitoring the construction of a home or addition and finally seeing an end to the associated stress, many homeowners are subjected to an indoor swimming pool. Generally the problem amounts to small puddles of water on the floor at certain repetitive locations, but in some homes the water can be in depth.

Regardless of the amount of water in the basement, a potentially habitable space has been lost and there is a risk that the moisture may exceed the ability of the home to absorb and ventilation without causing mold and health issues. Relationships with a builder go downhill fast when a homeowner’s dream gets wet and new stress is perceived to resolve the problem. Stored items may have been damaged, requiring disposal and costly replacement. Any finished basement wall coverings that have been wet need to be removed as the paper on the drywall is a food source for mold. The owner has lost confidence regarding future basement use and the value of the home certainly has depreciated.



Once again, a good contractor / builder will take efforts well ahead of time to achieve a dry basement and prevent a call of dissatisfaction from a client. Best practice should include a positive final grade away from each side of the foundation and downspouts and driveway that direct surface water away. There should be a footing drain around the base of the foundation to remove water and a damp proofed foundation surface.

The better contractors will create realistic expectations for his clients by explaining that some water may enter the basement until all exterior grading and roof drainage control measures are established. A good builder

will disclose that new construction soil settlement is to be expected around the foundation and that new soil may need to be added before the one-year warranty expires.

A wet basement is a bad dream for a homeowner!

**8.) FOUNDATION CRACKS:** Another widespread problem found in newly constructed homes or additions is cracks in the foundation walls and / or floor. Today's new homes have foundations made of poured concrete, and achieving a crack free concrete foundation is difficult as shrinkage is part of the drying process. Wood forms are usually stripped away from the newly poured concrete the very next day as the form contractor is anxious to retrieve his equipment and set-up for the next job. Unfortunately, the quick form removal tends to hasten the concrete drying process and is conducive for the development of vertical hairline shrinkage cracks. Such shrinkage cracks may appear in the basement walls or floor. (See photo)



Best workmanship for a contractor should include the inspection of the foundation after it has dried, the identification of any cracks and their repair by epoxy resin injection. If not disclosed by the contractor, the discovery of such cracks by the homeowner may result in a dispute in need of resolution. In the homeowner's mind, the crack means the house is at risk of falling down; when in reality there is only a risk of water weeping through the cracks.

The identification of shrinkage cracks and their explanation is daily practice for home inspectors. While most new homes exhibit such cracks, the problem is still worth negotiation between the contractor and the homeowner.

**9.) DECKS CAN BE DANGEROUS:** Every year we hear news stories about deck collapses and people getting hurt or killed. It literally frightens me to see the vast number of improperly built decks out there and the risk of harm that people are totally ignorant of. There is a mentality that "anyone can build a deck," and there are contractors who have been passing poor deck design and construction practices from father to son. I must confess that a number of local building inspectors also are not diligent when it comes to inspecting a deck and demanding appropriate repairs for the public safety and long-term protection of the home.

I recommend that you go on-line to the American Wood Council's web site ([www.awc.org](http://www.awc.org)) and download their *DCA 6 - Prescriptive Residential Deck Construction Guide - 2009 IRC Version* <http://awc.org/Codes/dcaindex.html#dca6> The free publication "includes guidance on provisions of the *International Residential Code (IRC)* pertaining to single level residential wood deck construction. Provisions contained in this document that are not included in the *IRC* are considered good practice recommendations."

There are widespread deficiencies in deck construction that include improper footing, improper anchoring, improper support, improper attachment to the building, improper flashing, improper lateral bracing, improper beams, improper guard rails and numerous other problems that pose a risk or personal injury or long term damage to the home from water infiltration. The attached photo shows a deck that is not bolted to the building and not flashed at the ledger joists – this deck is DANGEROUS!



If such problems occur and remain undisclosed to the homeowner, there is a real risk of deck collapse, of personal injury and of concealed damage to the home. Deck problems abound! A good home inspector can examine the deck materials, the methods and workmanship of construction and a comparison to the above referenced “Deck Construction Guide.”

**10.) THE “M” WORD:** Today our new homes are built to be energy efficient, and to achieve efficiency the home must be tight, free of drafts and sources of air leakage. The presence of mold in any area of a home is a bad situation for the homeowner and the contractor, and sadly is a very widespread occurrence that has usually gone undetected until disclosed by a home inspector.

Because mold is a health concern and because mold identification requires specialized swab testing, culturing, air sampling and microscopic examination, we home inspectors do not even dare use the word for fear of litigation. We say there is evidence of “suspected microbial growth!” The problem is most often observed in basement and attics. (See photo)



As a consumer, you can read all about mold at the Environmental Protection Agency’s web site or your states Board of Health. From a best practice standpoint, a good contractor will properly ventilate all of the moisture generators (heating, cooking, bathing, laundry) from the home, and will install sufficiently ventilate the attic.

The presence of mold or suspected microbial growth in any part of the home is not something to be taken lightly. Mold is a potential health concern, especially for those with respiratory sensitivity or other health issues. The problem is a big “red flag” to insurance companies and remediation can cost many thousands of dollars depending on the scope of the problem. For a contractor and a homeowner, lines may be drawn in the sand and negotiations may expand well beyond the two and into the hands of attorneys and insurance companies.

**CLOSING STATEMENT:**

In closing, the contractor / homeowner relationship is one that must be built on mutual trust and respect from the very beginning. The contractor has a legal obligation to provide what was promised. The homeowner must rely on the contractor’s professionalism to build a safe and healthy new home or addition and must reimburse the contractor for a job well done. Things go bad when communications breakdown, when trust is compromised and when respect is lost.