

Building Scene

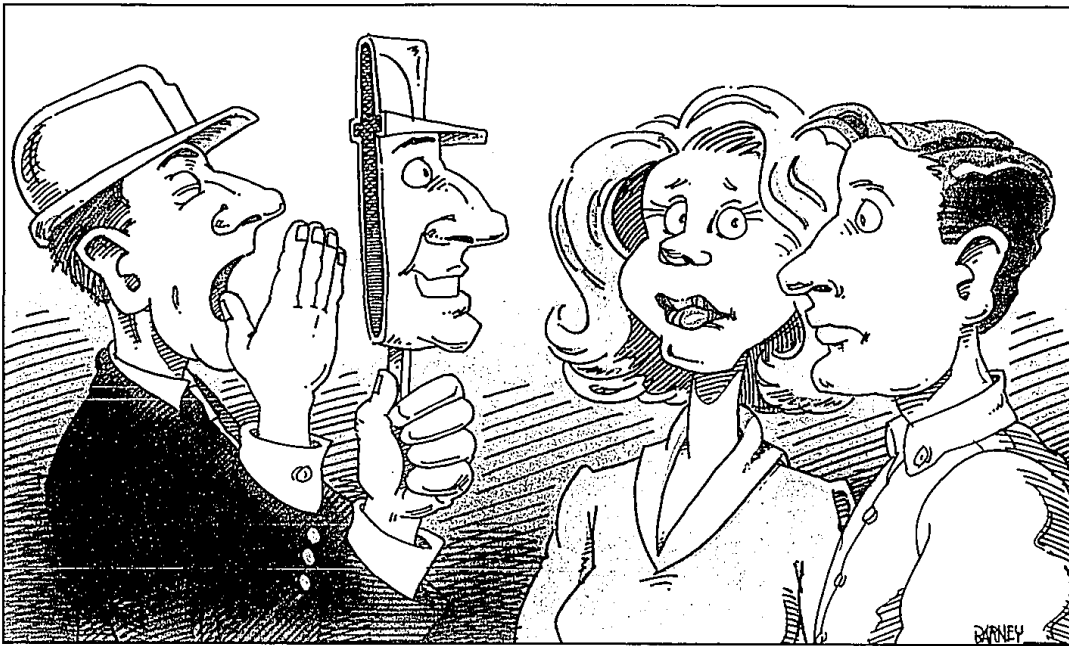
Marilyn Fitchell editor/591-2300

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Poor workmanship leads buyer complaints

By Doug Funko
staff writer

Construction of a new dream house or a contracted remodeling project doesn't always go smoothly. Questions about workmanship lead to complaints. Most, it turns out, are justified.

So how does a homeowner ultimately get satisfaction?

By taking a gripe to the Bureau of Commercial Services, Michigan Department of Licensing and Regulation.

And people do complain.

Nearly 2,500 complaints were filed against builders and contractors during the one-year period October 1988 through September 1989, according to figures provided by the state licensing department.

Another 2,000 complaints were resolved, leaving a backlog of nearly 2,700 at year's end.

"Workmanship and code violations are the major volume of complaints. People are disappointed with something the builder has done," said William Wagner, an enforcement direc-

tor in the licensing department.

"A good one-quarter of complaints that come to my attention are unlicensed people," said J.W. Elsterman, a disciplinary action coordinator for the department.

A STATISTICAL breakdown on disposition of complaints isn't available, said Pamela Loomis, a consumer assistance coordinator in the licensing department.

But from her experience, most involve workmanship and the vast majority are founded.

"Probably 75 percent of the time there's been a communications breakdown," Loomis said. "The builder tends to put a customer on the back burner, probably unintentionally."

Builders and contractors can find themselves in hot water for a variety of reasons.

Failure to acknowledge a complaint as justified, failure to correct a complaint within a reasonable time, poor workmanship and engaging in practice without a license

were noted in a recent disciplinary action report.

An administrative law judge will arbitrate a dispute if complaints aren't resolved in mediation, settlement or compliance conferences set up by the licensing department.

A STATE-APPOINTED Residential Builders and Maintenance and Alteration Contractors Board, composed of six building professionals and three people with no ties to the industry, is empowered to order restitution and levy fines after responsi-

bility has been established.

Mark Jacobson, a Birmingham builder and the board's chairman, said he can't recall if most complaints target builders or subcontractors.

Regardless, with more than 40,000 licensed builders and contractors in the state, he doesn't consider the numbers of complaints indicative of a major problem in the industry.

James Bondeco, a Plymouth builder and president of the Builders

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State seen as last resort arbitrator

By Doug Funko
staff writer

Filing a formal complaint with the state against a builder or contractor isn't exactly the best route for homeowners looking for quick resolution of problems.

Last December, the state Department of Licensing and Regulation issued a disciplinary action report including cases that initially had been filed as far back as July 1985.

But some consumers will argue that they have tried to get satisfaction through other channels and that filing with the state is a last resort.

"By the time it gets to the state level, it seems like there's a personality clash," said Gerald Kosmenschky, a semi-retired builder and president of the Home Owners Warranty of Southeastern Michigan. "It's like going through a divorce."

Byrne Benson, a builder and vice president of the Builders Association of Southeastern Michigan, outlined a strategy for buyers with complaints.

"YOU'VE GOT to pound on the builder, work with the builder," he said. "If you don't get satisfaction, go to the (local) building department. From what I hear, that's where it gets resolved pretty quick."

The process of insuring quality work actually should start well before a builder is hired.

"Go and talk to a building inspector before you buy a house," Kosmenschky said. "Ask what kind of reputation does he (builder) have. Does he do quality work?"

A series of handbooks on how to select a builder and what to expect in the construction process are available free from the National Association of Home Builders (1-800-368-5242).

"Go through the house before you close and look at everything," Kosmenschky said. "Take as long as you want, write it down, then have a walk-through with the builder. I always had

a walk-through with my people. Builders I know encourage that."

BUILDERS who participate in the Home Owners Warranty program guarantee repairs of major structural defects up to 10 years after construction. An arbitrator determines liability.

Major structural defects would include cracked basement walls and roof problems. Hairline cracks in basement floors and drywall wouldn't be covered.

Builders here generally don't participate in the extended Home Owners Warranty program because they don't feel the need to do so, Kosmenschky said.

Upwards of 75 take part, according to the BASM membership directory.

More builders would participate if consumer demand were there, Kosmenschky said.

STATE LAW requires builders of new houses to warrant almost all of their work for one year.

Consumers should make sure builders and contractors are licensed before work begins, said William Wagner, an enforcement director for the state.

Get everything in writing — especially a starting date and completion date — and have a lawyer review a building contract before you sign, Wagner said.

Call the state Department of Licensing and Regulation at 1-517-373-0678 to verify licensing status and 1-517-373-9153 to check on disciplinary action reports and request complaint forms.

Mark Jacobson, chairman of the state building board and a Birmingham builder, offered another solution to complaints.

"They always have the right to go to the civil courts if they're dissatisfied," he said.

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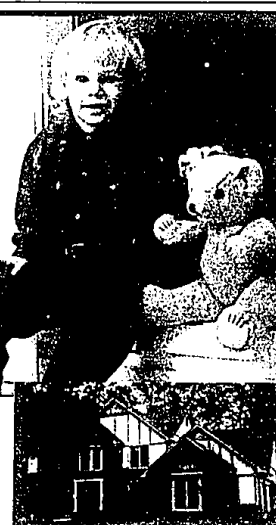
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Brokers Welcome

MAHB hosts winter convention

The Michigan Association of Home Builders will host its annual winter convention/trade show today through Saturday in Lansing.

State legislators will be on hand to discuss such building issues as asbestos, civil rights for people who are disabled and special assessment districts, 8:30 a.m. to 2 p.m. Thursday at the Radisson Hotel.

More than 40 exhibitors will staff booths 11:30 a.m. to 2 p.m. Friday and 9 a.m. to 2 p.m. Saturday in the Lansing Center. Products displayed range from irrigation equipment, low voltage and architectural lighting and burglar alarm systems to energy efficiency products and household and business items.

1989 CONSTRUCTION figures were down in the state compared to the previous year, MAHB president Gary D. Smith said.

The number of houses, apartments and major additions under construction or completed in 1989 was 43,960 units, a 9.3-percent decrease. But the dollar volume of all residential con-

struction was down 2.8 percent, to \$3.4 billion compared to \$3.5 billion in 1988.

"The construction rate is lower partially because of increasing material and interest expense costs," Smith said. "Thus, the average unit value (not including land costs) in 1989 was \$78,226, which is up 7.2 percent from \$72,994 in 1988."

In the metropolitan area, Wayne, Oakland and Macomb counties all reported decreases in new residential construction in 1989.

Wayne County recorded 3,865 units in 1989, down 28.2 percent from the previous year's total of 5,383.

In Oakland County, 7,615 units were built in 1989, down from 9,807 for a 22-percent drop.

In Macomb, units dropped to 5,007 from 5,594 for a 10.5-percent drop.

The Michigan Association of Home Builders is comprised of 7,500 member firms representing more than 265,000 people in the construction industry.