

## B.C. developer cancels contracts with home buyers



Stephen Bulat speaking on Canada AM on Monday, May 7, 2007.



Unfinished homes can be seen at the development in Coquitlam, B.C. we had given towards the upgrades."

The letter came after a flurry of production on the site in April.

"We (originally) thought 'Great, our house will finally be done.' We were very excited," said Bulat.

However, he was told by the developer that at current prices, there was no way the company could break even by selling the homes for the original price.

CB Development's operator, Craig Lochhead, said "that the only choice that they had was to sever the contracts with all the existing homes and re-list the homes at current market value," said Bulat.

Bulat was also told that he would not be given the rights of first refusal -- meaning he'd have to compete with other buyers to repurchase his home.

"This is unconscionable," Peter Simpson, CEO of the Greater Vancouver Home Builders Association (GVHBA), told CTV British Columbia. "No reputable builder in business for the long term would ever treat his customers in this matter."

CTV.ca News Staff

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Dozens of families who put deposits on homes being developed in a Coquitlam, B.C. neighbourhood are outraged after their contracts were cancelled and deposits refunded.

Stephen Bulat, who placed a deposit in August 2005, was supposed to move into his new home with his fiancée by April 2006. Instead, he received a shocking letter from CB Developments.

"The letter said that because of cost overruns and delays in production that CB Developments were unable to fulfill their contractual obligations," Bulat told Canada AM on Monday. "They had mailed us back our deposit cheque as well as the cheque that

"I'm sure there's some cost overruns for builders -- but in the end you fulfill your obligations and in this case it's letting your purchaser have the homes they bought."

Simpson said CB Development is not a member of the GVHBA.

In another twist that has angered buyers, the real estate agent listed to sell the properties for a second time is the developer's wife, Marion Lochhead.

Donna MacDonald, who is in the same predicament as Bulat, called the revelation "very financially convenient."

She plans on taking the company to court.

"I've lost market value here in the last two years. I lost market value on the home I sold in the last two years," MacDonald told CTV British Columbia.

"If this is just a greed issue, yeah I want blood."

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