



the employer will arrange to have certain parts of the completion of the house, such as the wiring or plumbing carried out by himself or some other contractor on his behalf. If such an arrangement is made the terms of it should be confirmed either in the agreement or by letter. In particular, it should provide that the contractor shall be entitled to give the employer written notice if the failure to complete any work is causing delay and should provide who is to be responsible for any loss as a result of any such delay.

7. *Payment*

Practices vary as to how payment for the contract is to be made. All that is essential is that whatever payment schedule is agreed between the parties be clearly set out in the schedule of the agreement. Provisions should be made for interest on late payments and for a retention to cover defects appearing after completion.

BUILDING CONTRACT FOR “ONCE-OFF” HOUSES

(Contd.)

*Published in Law Society
Gazette, July/August 1992*

The inclusion of special conditions in building contracts which limit a purchaser's rights may result in the purchaser's solicitor being unable to certify for a lending institution. Many loan approvals contain a condition that only the standard form of building contract may be used. Accordingly, members are advised to check all amendments to the standard building contract to ensure that they do not prevent them issuing a certificate of title in accordance with the lending institutions' requirements.

It has also come to the notice of the Committee that certain contracts are being produced on word processors which claim to be the standard contract but do not include all the clauses.

Where a solicitor has obtained the necessary consent from the Law Society either to reproduce the building contract or to prepare a document which refers to the building contract as being incorporated therein, the following clause must be used in the contract:-

“This contract shall be read as if it contained unamended all the terms and conditions of the Building Agreement issued jointly by the Incorporated Law Society of Ireland and the Construction Industry Federation in so far as said terms or conditions are not hereinafter altered or varied”.

BUILDING CONTRACTS

LENDING INSTITUTIONS' REQUIREMENTS

*Published in Law Society
Gazette, October 1992*