BRHDG | Architectural

BrambleRidge Home Design Group

BCIN Registered Architectural Designers · Established 2018

Building or Renovating in Muskoka & Parry Sound

A homeowner's and cottage owner's guide to a successful construction project

> Published as a public service by BrambleRidge Home Design Group — BCIN registered architectural designers, Muskoka and Parry Sound.

WHAT'S IN THIS GUIDE

Why we wrote this

Most construction projects that go badly did not go badly because someone was dishonest. They went badly because the owner and the builder had different pictures in their heads, and nobody wrote anything down until it was too late to fix cheaply.

Home renovation complaints are consistently among the highest-volume consumer complaints in Ontario, and news stories about vanished deposits and abandoned job sites appear every year. But the far more common failure is quieter: a project that finishes 30% over budget and four months late, where both sides feel wronged and neither can point to the moment it went sideways.

We design here. Every project we draw passes through our hands before it reaches a builder, and many of them come back to us when something has gone wrong on site. That vantage point is the reason for this guide: we see the same handful of problems over and over — and nearly all of them are decided *before* the first shovel goes in the ground.

This guide is not a sales pitch and it is not legal advice. It is what we would tell a friend who was about to spend serious money on their home or cottage.

Part 1 — What actually goes wrong

Before the how-to, here is the pattern. When we compare projects that went well with projects that went badly, the difference is rarely luck or even money. It is almost always one of these.

The five ways projects fail

1. The project was priced before it was designed. Three builders price a sketch and a conversation. The prices come back $180k, $215k, and $260k. The owner takes the $180k — and spends the next eight months discovering what it did not include. The three numbers were never for the same building.

2. The budget had no room in it. Industry surveys consistently find that roughly a third or more of homeowners exceed their planned spend, and the reasons are always the same three: materials cost more than expected, hidden conditions turned up, and the scope grew during construction. Builders in comparable markets routinely recommend a **15–20% contingency** on rock-heavy or waterfront sites. A project without a contingency has no ability to absorb a surprise, so every surprise becomes a crisis.

3. Changes were made verbally. "While you're in there, can you..." Twenty of those, none written down, and at the end there is a $40,000 gap and two people with completely different memories of the year.

4. Money got ahead of work. The owner paid a large deposit, then paid a draw early as a favour, then paid for materials not yet on site. The moment the relationship turns, the owner has no leverage left — and leverage is the only thing that gets a stalled job finished.

5. Nobody checked the boring things. Zoning setbacks. Septic capacity. Insurance during construction. Whether the existing cottage is legal non-complying — and what that entitles you to rebuild. Each of these is a phone call. Each of them, missed, can cost tens of thousands or kill the project outright.

What the good projects have in common

- **Complete drawings before pricing.** Every one of them.
- **A written contract with a real scope,** including what is excluded.
- **An owner who made selections early** and stuck to them.
- **A contingency that was never touched for upgrades** — only for genuine surprises.
- **Weekly contact, and decisions confirmed in writing** — even a one-line email.
- **A single decision-maker on the owner's side.**
- **Approvals started at the same time as design,** not after.

None of that is expensive. It is just deliberate.

Part 2 — Before you talk to anyone

Know what you are actually asking for

There is a large difference between "we'd like to open up the kitchen," "we want to add a bedroom over the garage," and "we want to tear it down and start over." Each has a different permit path, a different cost per square foot, and a different set of risks.

Before you call a builder, be able to answer:

- **What problem are we solving?** More space? Winterizing? Aging in place? Resale?
- **What is our real number?** Not what you'd like to spend — the number above which you walk away.
- **When do we need to be in it?** A hard date changes how the job must be planned.

- **How long will we own it?** A 25-year plan and a 3-year plan justify very different decisions.

What a budget actually needs to include

The most common source of conflict is an owner who budgeted for *construction* and then met the rest of the project:

- Design and drawings
- Engineering, where the structure requires it
- Permit fees and application costs
- Site work — driveway, clearing, rock removal, grading, drainage
- Septic and well work, or connection fees
- Hydro service or upgrades
- **Construction itself**
- Furnishings, window coverings, landscaping — everything that turns a finished shell into a finished home
- **Contingency of 10–20%** — at the high end for any renovation, any water-access site, and any older building

> **Rule of thumb:** if you have not set aside a contingency, you do not have a budget — you have a hope. Contingency is not pessimism. It is what lets you make a good decision mid-project instead of a desperate one.

What drives cost here

Parry Sound is not a subdivision market:

- **Bedrock.** The Shield is close to surface almost everywhere. Excavation may mean hammering or blasting.
- **Access.** A long private drive, a steep grade, a seasonal road, or a spring load-restricted road changes every delivery and every trade's travel time.
- **Water access.** Published figures for this region put barge mobilization at roughly **$3,000–$8,000 per trip**, with a full cottage build needing **10–20 loads** — an added **$60,000–$150,000** on a barge-only site, and an overall island premium commonly cited at **10–25%**. Ask local builders for current Parry Sound rates.
- **Season.** Winter concrete, frost protection, and heated hoarding cost money. So does racing to close in before freeze-up.

- **Trade availability.** Specialized trades may come from Barrie, Sudbury, or further. Their schedule is a real constraint on yours.

Part 3 — Assembling your team

Get the design right before you shop for price

Asking three builders to price a napkin sketch guarantees three prices for three different buildings. Invest in drawings first — you will spend less overall, and the bids will actually mean something.

In Ontario, whoever prepares your permit drawings generally must be a qualified designer registered under the Building Code (holding a **BCIN** with the correct qualification categories), or an architect or professional engineer. Ask to see it — and check that the qualification categories actually match your project type. A few narrow exemptions exist, and the permit application itself has a place to declare one, so if someone tells you they are exempt, ask them to show you the basis.

Be clear what the drawings are *for*. **Permit drawings and construction drawings are not the same thing.** A minimum permit set proves the design complies with the Code. A construction set tells the builder how to build it. Thin drawings are cheaper up front and get paid for later, in change orders and on-site guesses.

Finding a builder worth hiring

Get **at least three** quotes, and choose on more than the bottom line.

Where good referrals actually come from

The best sources are not the loudest ones. In rough order of usefulness:

- **People whose finished project you have physically stood in.** A photo tells you nothing about whether the job finished on time or on budget.
- **Other trades.** Ask an electrician, a plumber, or a septic installer who they *like working for*. Trades know exactly who runs an organized site, who pays on time, and who they quietly avoid. This is the single most under-used source of information available to a homeowner.
- **Your building department, designer, or lumber supplier.** They will rarely rank builders for you, but they know who is active, who is established, and who pulls permits properly.

- **Local builders' association member lists.** Membership means a builder has a stake in their local reputation and has agreed to a standard of conduct. It is not a guarantee, but it is a filter.
- **Neighbours and lake associations** — especially valuable on water-access properties, where the pool of builders who genuinely work out there is small.

Be careful with online reviews and social media galleries. Both are marketing. Neither tells you what happened in month seven.

> **Ask everyone the same question:** *"Who would you hire again, and who wouldn't you?"* The second half of that question is where the real information is.

You have to ask — nobody volunteers this

This is the part homeowners find uncomfortable, and it is the part that protects them. A professional builder is not offended by these requests; they field them regularly and usually have the documents ready. **Discomfort at being asked is itself an answer.**

Documents to ask for — and how to verify each:

Ask for	How to actually verify it
Certificate of liability insurance	Ask for the **broker's or insurer's contact**, and have *them* confirm the policy is in force and the amount. A PDF proves only that a PDF exists.
WSIB clearance certificate	Must be **current** — they expire. Re-request one before final payment on a long job. If they claim independent-operator exemption, ask to see that documentation.
HCRA builder licence (new homes)	Ontario law requires a licence to build or sell a new home. Ask for the number and check it.
BCIN or P.Eng./Architect credentials (whoever draws)	Ask for the number and the qualification categories — they must match your project type.
Business name, legal entity, and address	A real, fixed, local address. Confirm the legal name on the contract matches the entity you are actually paying.
Three references for similar work	See below — the reference call matters more than the list.
A sample written contract	Ask *before* you commit. It tells you more about how they run a job than any conversation will.
Their written warranty	Length, what it covers, what voids it.
Sub-trades they intend to use	Whether the subs are insured and covered is your exposure too.

Also ask, out loud:

1. Who is on my site every day, and who is my single point of contact?
2. How many other jobs will you run at the same time as mine?
3. How do you handle changes, delays, and unexpected conditions?
4. What is *not* included in your price?
5. Have you built on a site like mine before — water access, rock, seasonal road?

Making the reference call count

Most people call references and ask "were you happy?" That question has one answer. Ask instead:

- **Did the final price match the contract? If not, why not, and how was it explained to you?**

- How were surprises handled — what happened the first time something unexpected came up?
- Did they finish on schedule? If not, were you told early or late?
- **How fast did they respond when something went wrong *after* the job was done?** This is the question that separates builders.
- Was the site kept clean and safe?
- Would you hire them again — and what would you do differently?

Ask for at least one reference from a project **two or more years old**. Anyone can be responsive during the job. The warranty call in year three is the real test.

Red flags

Any one is a reason to slow down. Two or more is a reason to walk away.

- □ A price far below everyone else's *(usually missing scope, not a bargain)*
- □ Pressure to decide today, or a "this week only" discount
- □ A large deposit demanded up front — especially in cash
- □ An offer to skip the permit
- □ "Cash, no HST" *(no receipt means no warranty, no lien rights, no recourse, and liability that lands on you)*
- □ No written contract, or one page for a six-figure job
- □ Refusal to provide insurance or WSIB documentation
- □ No fixed address, no local history, a cell number as the only contact
- □ Vague verbal answers to specific written questions
- □ Unwilling to give references, or references that are all recent

Being a good client

This runs both ways. Projects go well when owners decide on time, pay on time, limit changes once work starts, and raise concerns early and directly. Builders talk to each other. A reputation for fairness gets you better trades, better scheduling, and better pricing next time.

Part 4 — If you don't hire a general contractor, you *are* the general contractor

Plenty of people manage their own projects, and some do it very well. But the choice is not "hire a GC or don't." It is "pay someone to carry this role, or carry it yourself." The role does not disappear.

What the role actually is

Scheduling and sequencing every trade. Ordering materials so they arrive after the trade needs them but before the trade arrives. Verifying insurance and WSIB for every sub. Calling inspections at the right stage. Solving the problem when the framer and the HVAC contractor both need the same three days. Chasing deficiencies. Paying everyone correctly and getting lien releases. Being reachable when a truck shows up at 7 a.m. and nobody told the driver about the gate.

On a water-access site, add: barge scheduling, staging on the mainland, weather calls, and the consequence of one forgotten box of hangers being a two-day delay.

The honest case for doing it yourself

- **You save the GC's fee and markup** — typically the largest single line item you can remove.
- **Total control** over materials, sequence, and where the budget goes.
- **Direct relationships** with your trades.
- **Flexibility** to change your mind without renegotiating a contract.
- **You learn an enormous amount**, and it is genuinely satisfying.

It works best when: the scope is simple and well-defined; you already know local trades personally; you have real flexible time (this is not an evenings-and-weekends job); you are not on a deadline; and you are not on a water-access or otherwise logistically hard site.

The honest case against

- **It takes far more time than people expect** — and the time comes in unpredictable weekday chunks.
- **Projects run longer.** Coordination gaps show up as dead days on site.
- **You are at the back of the queue.** Good subs prioritize the GCs who feed them work all year. As a one-time client, you get the schedule gaps.
- **Sequencing errors are expensive** and often invisible until later — the wrong rough-in order, insulation before an inspection, flooring before it should have gone down.

- **You have no single throat to choke.** When the tile fails over the framing that moved, the tiler blames the framer and both blame the floor. A GC owns that seam. You now own it.
- **You carry the risk the GC's price included.** A GC's margin is not pure profit; part of it is them absorbing problems. That absorption is now yours.
- **You may not actually save money.** Trades often price higher for owner-managed work, you lose the GC's supplier pricing, and mistakes and delays eat the fee you saved.

The five legal exposures people miss

This is the part that rarely appears in homeowner articles, and it is the part that matters most.

1. Health and safety responsibility. Ontario's *Occupational Health and Safety Act* defines a **"constructor"** as a person who undertakes a project for an owner — **and it includes an owner who undertakes all or part of a project themselves, or through more than one employer.** Hire your own trades directly and you may be the constructor, with overall responsibility for health and safety compliance on the site. There is a narrow exemption for work performed by the owner or occupant of a private residence *themselves*, but it does not extend to the workers you bring in. A **Notice of Project** is currently required where total labour and material cost exceeds **$50,000** — a threshold the province has proposed replacing with hazard-based triggers, so confirm the rule that applies when you start. Get advice before you assume none of this applies to you.

2. Liens. If you pay a general contractor and *they* fail to pay a sub, that is a problem you have protection against. If you are the GC and a payment goes wrong, subcontractors and suppliers can register liens **against your property**. Managing progress payments, statutory holdback, and releases correctly is a job with legal consequences, not paperwork.

3. Insurance. Verifying that every trade carries liability coverage and WSIB is now your job — and if one does not, an injury on your site can land on your homeowner policy or on you personally. Some insurers price or refuse coverage differently for owner-managed construction. **Ask before you start, not after.**

4. Warranty and recourse. With a GC, one party warrants the whole. Self-managing, you hold ten separate warranties from ten parties, each covering only their own scrap of the work — and nobody responsible for the interaction between them.

5. You give up statutory new-home warranty entirely. Ontario law lets you build a home for your own use, on land you own, without an HCRA builder's licence. But there is a price: **an owner-built home is not eligible for warranty coverage under the *Ontario New Home Warranties Plan Act*.** No Tarion protection at all. And if you later decide to sell, the licensing question becomes live — selling a new home you built unlicensed is not permitted. **If there is any realistic chance you will sell within a few years, get advice before you start,** not after.

The middle path most people don't know about

You do not have to choose the extremes. Common arrangements:

- **Construction management.** A builder manages the project for a fee, but you contract with and pay the trades directly. You keep visibility on real costs; they carry the coordination.
- **Hire the GC for the hard part only** — foundation through lock-up, where sequencing and weather risk are concentrated — and self-manage the finishes, where mistakes are cheaper and slower to matter.
- **Do the labour you're actually good at.** Demolition, painting, landscaping, and final clean are the classic owner scopes: low skill risk, low consequence, real savings. Agree these up front and put them in the contract — a builder needs to know what they are *not* doing, and when your work has to be finished so theirs can start.

> **The one thing not to do:** decide to self-manage in order to afford a scope you cannot otherwise afford. That is the version that fails. Self-managing to gain control, on a scope you could have afforded either way, is a reasonable choice made from strength.

Part 5 — Contract price vs. hourly: where each one goes wrong

There is no honest and dishonest option here. There is only knowing which one you signed, and understanding how each fails.

	(stipulated sum)	("hourly")
You pay	One agreed number	Actual labour + materials + agreed fee or %
Best for	Well-defined work, complete drawings	Renovations, unknown conditions, evolving scope
Overrun risk sits with	The builder	**You**
Builder's incentive	Finish efficiently	Do it properly — but efficiency isn't rewarded
What you must watch	Vague scope, thin allowances	Cost transparency, hours, and no ceiling

How fixed price goes wrong

- **The scope was vague, so the price was a guess.** The builder priced what they assumed. You assumed something else. The gap arrives as change orders.
- **The price was too low to be real.** A builder who has underbid has three ways out: change orders, cheaper materials, or walking. None is good for you.
- **Allowances did the work the price should have done.** More on this below.
- **Every genuine unknown becomes a negotiation.** Open the wall, find rot, and now you are arguing about whether it was "included" — while the job stands still.
- **You lose visibility.** You never learn what anything actually cost, which makes it hard to judge whether a change order is fair.

Protect yourself: complete drawings before pricing; a written scope that lists exclusions, not just inclusions; allowances you have actually priced at a supplier; and a defined process for hidden conditions agreed *before* one appears.

How hourly / cost-plus goes wrong

- **No ceiling.** This is the big one. Without a cap, your exposure is genuinely open-ended.
- **No decision discipline.** Fixed price makes you think hard before changing your mind, because you see the cost immediately. Hourly hides the cost until the invoice.
- **Slow bleed.** No single thing ever goes wrong — there is no moment you can point to and object. The job simply costs far more than you pictured, arriving in increments too small to argue about one at a time.

- **You don't know what you're being billed for.** "Labour — $8,400" is not an invoice. It is a number.
- **Efficiency isn't rewarded**, so an inefficient crew costs you and no one else.
- **Trust runs out.** Cost-plus depends entirely on the relationship. When trust goes, there is no document to fall back on.

Protect yourself:

- **Put a cap on it.** A **not-to-exceed** figure, or a **guaranteed maximum price (GMP)** — cost-plus below the cap, builder's risk above it. This is the single most effective protection available on an hourly job, and reasonable builders will discuss it.
- **Agree the rates in writing** for every category, including the markup on materials and on subcontractors, and whether supervision, travel, and equipment are billed separately.
- **Agree the invoice format up front** — hours by person by day, materials with copies of supplier invoices. Ask for this *in the contract*, not on invoice number four.
- **Bill and review monthly at most.** A quarterly surprise is not reviewable.
- **Ask for a running total against the estimate** with every invoice, plus a forecast to completion. A good builder already tracks this.
- **Set a re-forecast trigger:** if projected cost passes a set threshold, work pauses for a conversation.

The hybrid that often fits best here

For renovations and older cottages: **fixed price on the known work, cost-plus with a cap on the genuinely unknown work** — the excavation, the structural repairs behind the wall, the septic. You get budget certainty where certainty is possible, and neither side is forced to gamble on what nobody can see. Cottage-country projects have more genuine unknowns than suburban ones, and pretending otherwise is what produces the low bid that ends badly.

Ontario's 10% rule — worth knowing

Under Ontario consumer protection law, where a contract includes an **estimate**, the final price generally **cannot exceed that estimate by more than 10%** unless you have agreed to additional work or a new price. This is a real protection — and it is also why you should be clear whether you have been given an *estimate* or a *quote*. They are not the same document and they do not carry the same obligations.

Part 6 — Incidentals: the costs that don't look like construction

Ask a homeowner what they are paying for and they will describe a building. Ask a builder and they will also describe everything that has to happen *around* the building. That second list is where budgets quietly break — not because anyone is padding, but because these items are invisible until they appear on an invoice.

On a fixed-price job, ask which of these are included, which are excluded, and which are billed separately. **On an hourly or cost-plus job, this list is your budget.** Every one of these is billable time or a billable cost, and if you have not discussed them, you have not agreed to them.

Getting people and things to your site

- **Travel time.** On an hourly job, ask directly: *is travel billed, from where, and for how many people?* A three-person crew travelling 45 minutes each way is **4.5 billable hours before anyone picks up a tool.** It is legitimate — a builder cannot work for free — but it must be known and agreed in writing, not discovered in month two.
- **Supply pickup and runs to town.** Same principle. Who is billed for the drive to Parry Sound for a box of screws? What about the trip that happens because a delivery was short? Agree the rule up front: many builders bill it, most homeowners never think to ask, and this single item causes more invoice arguments than any other.
- **Delivery and freight**, including short-load and small-order surcharges, and long-haul delivery to remote addresses.
- **Mobilization and demobilization** — getting equipment to site and home again. On a rock site or a water-access site this is a real, sometimes large, standalone number.
- **Barging and boat time.** Mobilization per trip, crew shuttle runs, crane time to lift material off the water, and the mainland staging or storage yard. Ask whether barging is a fixed number of trips or billed as used — and what happens if an extra trip is needed.
- **Waiting time.** Weather delays, ferry or barge waits, and a crew standing by for a late delivery. On hourly work, ask how standby is handled.

Keeping the site working

- **Snow removal and winter access.** Clearing the drive and the site so crews and deliveries can get in — often repeatedly, on a schedule nobody controls. On a seasonal road this can mean opening a road that is not normally maintained at all. **Ask explicitly whether snow removal is the builder's cost or yours**; it is one of the most common gaps in an Ontario contract, and one of the easiest to argue about in February.

- **Sanding and ice control**, and spring mud management on a soft driveway.
- **Temporary heat and hoarding** for winter work, plus fuel.
- **Temporary power** — a construction service, or generator rental *and fuel*, which on an off-grid site runs every hour the crew is working.
- **Portable toilet** rental and servicing.
- **Waste removal.** Bins, haulage, and tipping fees — and on a water-access site, **every scrap of waste barged back out**, which is not cheap and is frequently left out of a mental budget.
- **Site security and material storage** — a locked container on a remote site, or the cost of not having one.
- **Road and driveway repair.** Loaded trucks damage driveways. Decide in advance who restores it.
- **Equipment rental** — lifts, compaction, pumps, scaffolding, and the small tools nobody itemizes until they are billed.

Around the edges of the work

- **Protection of existing finishes** — floor protection, dust walls, plastic, and the labour to put it up and take it down. On an occupied renovation this is a genuine line item.
- **Moving and storage** of your furniture and belongings.
- **Temporary accommodation** if you cannot live in the house, plus the meals-out premium nobody budgets.
- **Final construction clean**, and the *second* clean people always end up paying for.
- **Permit fees, re-inspection fees, and application costs** if they are not in the contract.
- **Utility connection and service upgrade charges.**
- **Surveys, testing, and engineering** — a legal survey, water potability testing, soils or septic evaluation.
- **Landscaping restoration.** Construction damages the site around the building. Grading, topsoil, and seeding are almost always a separate scope, and almost always assumed to be included.

> **Three questions that close most of this gap:** 1. *"What is in your price that I wouldn't think to ask about?"* 2. *"What is deliberately not in your price?"* 3. *(Hourly work) "Which of travel, pickup runs, standby, and supervision are billable, at what rate, and for how many people?"*
>
> A builder who answers these clearly and in writing is showing you exactly how they will run your job.

Part 7 — The contract

Never start work without a written contract. Not with a stranger, not with a neighbour, not with your brother-in-law. A contract is not distrust. It is what lets two reasonable people settle a disagreement without a lawyer.

What Ontario law already gives you

- **Contracts over $50 must be in writing.**
- If you sign at your home, you generally have a **10-calendar-day cooling-off period** to cancel for any reason, running from when you receive a written copy. *(If work has already begun, you may owe reasonable compensation for work and materials supplied.)*
- The **10% rule** on estimates, above.
- The contract must include the contractor's identity and contact details, a detailed description of the work and materials, the total cost and payment terms, the schedule, warranty terms, and who is responsible for cleanup and for the sub-trades.
- Consumer Protection Ontario takes complaints about contractors. Know that this exists before you need it.

> A builder who resists putting things in writing is not just being informal. They are declining to do something the law requires.

What a proper contract contains

- Full legal names, addresses, and contacts for both parties
- Property address and legal description
- **Detailed scope — what is included, and explicitly what is not**
- Drawings and specifications listed by number and date, forming part of the contract

- **Materials by brand, model, and grade** — not "quality fixtures"
- The price, and **whether it is fixed, cost-plus, or capped**
- **Every allowance, itemized, with its dollar figure**
- Payment schedule tied to milestones
- Start date, substantial completion date, and what happens if either slips
- **A written change-order process**
- Who obtains and pays for permits
- Site rules: hours, access, parking, washroom, waste, security, protection of existing finishes and landscaping
- Insurance obligations on **both** sides
- Warranty terms and duration
- Deficiency and holdback provisions
- How disputes get resolved

Allowances: the number-one budget killer

An allowance is a placeholder for something not yet chosen — flooring, cabinets, lighting, plumbing, countertops. If the allowance is $6,000 for cabinets and you choose $22,000 cabinets, you owe the difference. That is not a bait-and-switch; it is arithmetic that was in the contract all along.

- Ask what each allowance actually buys. **Go to the supplier and look at what $6,000 gets you.**
- Ask whether it covers supply only, or supply *and* installation.
- **Make your selections before construction starts.** Late selections cause delays as often as overruns.
- Convert allowances to fixed line items once you have chosen.

The change order — treat it as sacred

Changes are normal. *Undocumented* changes destroy projects.

No work proceeds on a change until there is a written change order signed by both parties, stating the added or deducted cost and the effect on the schedule.

"Just add a pot light while you're up there" is how a $340,000 job becomes a $381,000 job with nobody able to explain where it went. And know this: **a change during construction always costs more than the same change on paper.** Moving a wall in the drawings is free. Moving it after the plumbing is in is not.

Part 8 — Money

Deposits

A modest deposit is normal — it covers mobilization, ordering, and your place in the schedule. **Ontario's own consumer guidance recommends keeping deposits to no more than 10%,** and never paying the full contract amount before the work is done. Payments should follow work performed, not precede it.

Progress payments

Tie payments to defined, verifiable milestones — foundation complete, framing complete, roof watertight, rough-ins complete *and inspected*, drywall complete, substantial completion. Confirm the milestone is actually met before releasing funds. **Never let payment get ahead of work.** If it does, your leverage is gone precisely when you need it.

Holdback and liens

Ontario's *Construction Act* requires **10%** of the contract value to be held back from payments for a set period. It is not optional and not a bargaining chip — it protects you if a subcontractor or supplier goes unpaid and registers a lien against your property.

Roughly how the lien clock runs: a contractor or subcontractor generally has **60 days to register (preserve) a lien**, and a further **90 days to enforce (perfect) it**. Those windows are why the holdback exists and why releasing it early is a genuine risk rather than a technicality.

Amendments to the *Construction Act* took effect on January 1, 2026. The most relevant change for a long project: on contracts running more than a year, **annual release of the accrued 10% holdback is now mandatory** rather than optional, with a notice requirement and a defined payment window that follows it. If your build will span more than twelve months, ask your lawyer how this applies to you — it changes when money moves.

The Act also imposes **prompt payment** duties running the other way: once you receive a proper invoice, a clock starts on your obligation to pay it or deliver written notice of non-payment.

Timelines and notice requirements are strict, with particular nuances for home renovations. **Talk to a lawyer before releasing holdback on any significant project.**

HST

HST applies to construction work. "Cash, no tax" leaves you with no receipt, no warranty, no lien protection, and potential liability if someone is hurt on your property.

Building new or substantially renovating may make you eligible for the **GST/HST New Housing Rebate** — but read this before you build it into your budget.

The rebate requires the house to be the **primary place of residence** of you or a close relation. The CRA does not treat a recreational cottage as a primary place of residence, so **a seasonal or recreational cottage generally does not qualify.** A year-round home does. This catches people out badly, because the rebate is often the last few percent that makes a budget work.

If you are counting on it, confirm your eligibility with an accountant **before you commit** — and keep every receipt from day one, because the rebate depends on documentation you cannot recreate later.

Financing

Construction draws are released by your lender against inspections, on the lender's schedule. Confirm the draw schedule *before* signing, and make sure your contract's payment milestones and your lender's draw milestones line up. When they don't, the builder ends up financing your project — and that is where good relationships die.

Part 9 — Construction insurance: the gap nobody checks

This is the most-skipped item on the list and one of the most expensive to get wrong. There are **three** separate policies in play, and they are not interchangeable.

1. Your own policy — call your broker *before* work starts

Standard homeowner and cottage policies contain **vacancy and construction exclusions**. Two things commonly suspend or void coverage:

- **Vacancy.** A dwelling left unoccupied beyond a set period — **commonly around 30 days** — can void standard coverage unless you have arranged a vacancy permit or endorsement.
- **Scale of work.** Many insurers restrict coverage once a project involves structural change, an addition, or exceeds a dollar threshold **often in the $5,000–$10,000 range**.

A fire during a renovation you never told your insurer about is the worst phone call in this guide. **Call your broker before you sign the contract**, describe the project honestly, and get the answer in writing.

2. Builder's risk / course-of-construction

Covers the structure while it is being built, renovated, or repaired — typically on an all-risk basis for physical loss or damage, plus materials on site. This is what fills the gap your homeowner policy leaves.

Ask specifically:

- **Who is buying it — you or the builder?** Put the answer in the contract. Each side often assumes the other has it.
- Does it cover **materials in transit and in storage**? On a water-access job, materials spend real time on a barge and in a mainland yard.
- Does it cover **theft from site**? Remote sites are targets.
- **When does it end?** Coverage typically stops at occupancy or completion — make sure your regular policy restarts the same day, with no gap.
- Is the **coverage limit the full completed value**, including your own supplied materials?
- Are **wind, water, flood, and freeze** covered? Relevant everywhere here.

3. The builder's liability and WSIB

- **Commercial general liability** — ask the amount, and have the **insurer or broker send confirmation directly to you**. A photocopied certificate proves nothing about whether the policy is still in force.
- **WSIB clearance certificate** — current, and re-checked if the job runs long. If a trade claims independent-operator status, ask to see that documentation.
- **If you are self-managing, you must verify this for every trade individually.** See Part 4.

> **The one-page version:** call your broker before you sign; confirm in writing who is buying builder's risk; get the builder's coverage confirmed by their insurer, not by them; and make sure there is no gap on the day the project ends.

Part 10 — Permits and approvals

Yes, you almost certainly need a permit

Permits exist to make sure what you build is safe, and they protect *you*. Work done without one can mean stop-work orders, an order to remove what was built, difficulty selling, denied insurance claims, and financing problems.

Permits are typically required for new buildings, additions, structural changes, many decks and porches, finishing a basement, plumbing changes, wood-burning appliances, and demolition. Requirements vary by township — **confirm with your municipal building department.** Do not accept "you don't need a permit for that" from anyone else.

The approvals people forget

Your building permit is often not the only approval, and the others usually take longer:

- **Zoning compliance** — setbacks, lot coverage, height, shoreline setbacks. Non-compliance means a **minor variance** through the Committee of Adjustment. Budget months, not weeks.
- **Septic permit** — for a new system, and often for changes that increase load. **If your project adds bedrooms, assume your septic will be reviewed.** Confirm the approving authority for your township.
- **Well** — testing on an existing well, or a new drilled well with no guaranteed depth or yield.
- **Shoreline and in-water work** — the beds of most lakes and rivers in Ontario are **public land**, even where the upland is privately owned, so a provincial **work permit** may be needed to build over or alter them. As a rough marker, a dock or boathouse whose supporting structure covers **more than 15 m² of the lake bed** generally requires one; certain small, low-risk docks were exempted from the permit requirement in 2019. Separately, federal *Fisheries Act* rules prohibit harmful alteration or destruction of **fish habitat** without authorization. Confirm both before you order materials — and note that a municipal building permit may be required on top of these.
- **Entrance/driveway permit** — municipality or MTO, depending on the road.
- **Lake or ratepayer association guidelines, and restrictions on title.**
- **Hydro One** — a new or upgraded service runs on their timeline. Start early.

> Approvals are a *sequence*, not a checklist. Start the approvals conversation the same week you start the design conversation.

Legal non-complying buildings — know this before you fall in love with a plan

Start with the vocabulary, because these two terms get used interchangeably and they do not mean the same thing:

- **Legal non-conforming** describes a **use** that today's zoning no longer permits — say, a commercial operation in what is now a residential zone.
- **Legal non-complying** describes a **building** whose use is perfectly fine but whose *dimensions* no longer meet the rules — it sits inside the current shoreline setback, or exceeds today's height or lot coverage.

Most older waterfront cottages are legal non-complying, not legal non-conforming. The use is permitted; the building simply stands where today's by-law would not let you put it.

That vocabulary is how municipal by-laws are written, and it is worth knowing. But here is the part almost nobody realizes: **as far as your legal protection goes, the courts have held the distinction does not matter.** Ontario tribunals have found that "non-complying" is a term of art with no basis in the *Planning Act*, and that a lawfully built structure is protected whether it breaches a **use** rule or a **setback, height, or coverage** rule.

Your rebuild rights come from provincial law, not municipal generosity

This is the single most misunderstood point in cottage-country renovation, so it is worth stating plainly.

Protection for lawfully existing buildings comes from **section 34(9) of Ontario's *Planning Act* and from common law** — not from your township's goodwill. A zoning by-law cannot prohibit what was lawfully established before the by-law was passed. Ontario decisions have gone further and held that owners of legally non-conforming and non-complying buildings have **an effectively absolute right to demolish and reconstruct within the same building envelope**, and that this right cannot be taken away by a by-law.

Municipal attempts to narrow it have been struck down. A by-law that terminated rights where a building was repaired or rebuilt **voluntarily** — as opposed to after a fire or storm — was found to interfere with acquired rights contrary to the Act. A by-law prohibiting reconstruction where more than half the exterior load-bearing walls were voluntarily removed was held to be *ultra vires*, meaning beyond the municipality's authority. More recent decisions have reinforced the doctrine, holding that **vacancy and physical decline are not the same as legal abandonment.**

So the common assumption — *"if I take it down, I lose my setback and have to build back from the water"* — **is generally wrong for a rebuild within the existing envelope.**

Local by-laws often say the same thing. Carling's zoning by-law, for example, provides that in the waterfront residential zones nothing prevents the enlargement, repair, reconstruction, or replacement of a lawful building that does not comply with yard, height, or coverage requirements, so long as the work does not further contravene the yard requirements — with reconstruction restricted to the existing footprint, and a table capping floor-area increases based on the existing front-yard setback. Interior alterations are not restricted at all.

Where the limits actually are

Rights this strong still have edges, and these are the real ones:

- **Going beyond the existing envelope.** Rebuilding within it is protected. **Enlarging** — more footprint, more height, closer to the water — is not. That is a **minor variance** through the Committee of Adjustment, or permission to extend a non-conforming use under s. 45(2). Routine, but it takes months and is never guaranteed.
- **Abandonment.** The bar is high, and vacancy alone does not meet it, but a demonstrated intention to abandon the use can extinguish the right. Do not let a damaged building sit indefinitely while you decide.
- **Everything that is not zoning.** Your rebuild rights say nothing about the Building Code, septic capacity, shoreline work permits, or fish habitat rules. Those apply regardless.
- **Accessory buildings, decks, sleeping cabins, and boathouses** are frequently governed by separate and tighter rules than the main dwelling.

> **A note on the province's new "90% rule."** As of November 21, 2025, a setback that is at least 90% of the required distance is deemed to comply, removing the need for a variance on modest shortfalls. Before you count on it: **the regulation does not apply to non-urban residential parcels, or to land within 120 metres of a wetland, Great Lakes shoreline, or inland water feature.** That carve-out excludes a great deal of waterfront Parry Sound. Ask whether it applies to your lot rather than assuming it does.

What to do about it

Get the exact wording of your township's non-complying provisions from the planning department *before* you design anything, and ask four specific questions: **Can I rebuild on this footprint? Can I go up? Is there a deadline once the old building comes down? Does it matter how it comes down?**

And know this: the by-law is what the counter applies, and by-laws sometimes contain restrictions that would not survive a challenge. **If your township tells you that a rebuild within your existing envelope is not permitted, that answer may not be correct — but the place to resolve it is with a planning lawyer, not at the counter.** Get advice early. It is far cheaper than redesigning a project around a restriction that does not legally bind you, and far cheaper than a fight you started badly.

Part 11 — During construction

Communication

Agree at the outset on:

- **One point of contact on each side.** Instructions from three family members to five trades is chaos.
- **A regular check-in** — a weekly site meeting or call at a set time.
- **How decisions get recorded.** A follow-up email confirming what was decided takes two minutes and settles arguments that would otherwise take two hours.

Do not direct the trades yourself. Talk to your builder. Side conversations create work nobody has priced, recorded, or will warrant.

Keep a project file

Contract, all drawings by revision, every change order, every invoice and proof of payment, permits, inspection records, warranties and manuals, and photographs. **Photograph the walls before drywall** — every stud bay, from a consistent position. That record is worth its weight in gold in ten years.

Decisions

Late decisions are the most expensive thing an owner contributes. When your builder asks for a selection three weeks early, they are protecting your schedule. A crew standing still because tile has not been chosen is being paid, and the trade behind them is being pushed into someone else's job.

Inspections

Municipal inspections happen at set stages, and work must not be covered before the required inspection passes. Passing inspection is a minimum legal standard, not a quality assessment — it does not replace your own walkthroughs.

Expect some surprises

Opening walls reveals things: rot, old fire damage, knob-and-tube wiring, undersized framing, no insulation, a "beam" that turns out to be decorative. The ground reveals things too.

This is what contingency is for. When it happens, ask for three things: **what was found, what the options are, and what each costs.** Then decide. A good builder brings a problem with options attached; a good owner treats it as a decision rather than an accusation.

Part 12 — Cottage-country realities

Water access. Every board, bag of concrete, tool, worker, and scrap of waste crosses the water twice. Barge time is scheduled and weather-dependent. There is no running to town for a forgotten part. Expect a longer schedule, higher cost per square foot, larger material orders, and more staging. This is not padding — it is the real cost of building where you chose to build, and it is why island projects reward thorough planning more than anything else.

Weather windows. Ice-out and freeze-up bracket the barging season. Miss a window and a delivery waits months, not days. This is exactly why late changes cost so much more out there.

Seasonal and load-restricted roads. Spring **reduced-load ("half-load") restrictions** limit heavy deliveries — concrete, trusses, steel, excavators. They typically run somewhere in the **March-to-May** window, commonly capping axle weights around **5 tonnes**, but municipalities set their own roads and their own dates each year based on conditions. Confirm locally rather than assuming last year's dates. If your foundation must go in during that window, someone needed to plan for it in January.

Winter work. Routinely done, but frost protection, heating, hoarding, and short days cost money. Sometimes worth it to hit a spring deadline; sometimes waiting six weeks is cheaper. **Ask for the comparison** rather than assuming either.

Hydro and services. Some sites have no power; generator-run construction is slower and costs more. A new Hydro One service can take many months — apply before you start anything else.

Septic and well. Both limit what your building can become. A three-bedroom system does not support a five-bedroom cottage. Find out what you have before you design what you want.

Neighbours. Sound carries astonishingly well over water, and your neighbours are on vacation while you are under construction. Agreed working hours, a heads-up before noisy phases, and a tidy site prevent complaints — and complaints have a way of becoming inspections.

Part 13 — Finishing well

The deficiency walkthrough

Near completion, walk the entire project with your builder and prepare a **written deficiency list** — everything incomplete or not to standard. Be specific and fair: a genuine deficiency is work not done properly, not a change of mind, and not the normal seasonal movement of a new building.

Agree a timeline to complete it. **Sign off only when it is done.**

Final payment and holdback

Release final payment when the work is complete and the deficiency list is closed. Hold the statutory holdback for the required period. Before releasing it, confirm the lien period has expired and no liens are registered. **Have your lawyer check.**

What you should walk away with

- Signed contract and every change order
- Final drawings, marked up as-built where they changed
- Permits and all passed inspection records, including the final
- Manufacturer warranties, manuals, product documentation
- Your builder's warranty, in writing
- Paint colours, model numbers, supplier names
- Your pre-drywall photographs
- Septic and well records
- Everything needed for an HST rebate claim

Warranty

For a **new home**, ask early whether it is covered by Ontario's new home warranty program administered by **Tarion**. The test surprises almost everyone in cottage country.

The *Ontario New Home Warranties Plan Act* defines a "home" in a way that **excludes dwellings built for seasonal purposes** — meaning a dwelling not constructed for year-round occupancy. What decides it is **how the building was constructed, not how you intend to use it.** A cottage built to year-round occupancy standards can be covered even if you only ever use it in July. A cottage built for seasonal use only falls outside the program.

Two more points worth knowing:

- **Accessory buildings** such as bunkies and boathouses are generally not covered unless they form part of the construction contract for the dwelling.
- **A home you build for yourself is not covered at all** — see Part 4.

If your project falls outside the program, your only warranty is your builder's. That makes the strength of that written warranty a genuine selection criterion, not a footnote.

For **renovations**, your protection is your contract and your builder's own warranty. Know its length and what it covers before you sign.

Quick reference

Fifteen pitfalls and how to avoid them

Pitfall	How to avoid it
No contingency	Budget 10–20% on top of the contract before you start
Quotes that aren't comparable	Complete the drawings first, then price the same scope three times
Choosing on price alone	Weigh insurance, WSIB, references, capacity, and the written contract
Vague scope	Demand brands, models, grades — and explicit exclusions
Never asking for the documents	Insurance confirmed by the *insurer*, current WSIB, licence numbers, real references
Incidentals nobody discussed	Ask what's excluded — snow removal, travel, pickup runs, waste, barging, standby
Allowances that don't match your taste	Price your real selections at a supplier before signing
Verbal changes	No work without a signed change order stating cost and schedule impact
Hourly work with no ceiling	Negotiate a not-to-exceed or guaranteed maximum price
Payments ahead of the work	Tie payments to verified milestones; keep the statutory holdback
Skipping permits or approvals	Confirm with building and planning departments, in writing
Insurance gap during construction	**Call your broker before work starts; confirm who buys builder's risk**
Self-managing without knowing the exposure	Understand constructor duties, liens, insurance, and lost warranty before you decide
Budgeting for an HST rebate you won't get	A recreational cottage is generally not a "primary place of residence" — confirm first
Late decisions	Make selections before construction; answer your builder within days

Your first five phone calls

1. **Municipal building department** — permit requirements and process
2. **Municipal planning/zoning** — setbacks, coverage, non-conforming status, variance timelines
3. **Septic approval authority** — capacity of your existing system, or a new permit
4. **Your insurance broker** — coverage during construction
5. **A qualified designer** — to turn what you want into something that can be priced and built

If something goes wrong

1. Raise it in writing, early, and specifically. Most problems are still cheap at this stage.
2. Re-read your contract before you argue about what it says.
3. Keep paying for work properly performed — withholding everything usually weakens your position.
4. If the contract has a dispute process, use it.
5. **Consumer Protection Ontario** accepts complaints about contractors.
6. Talk to a construction lawyer before the lien and notice deadlines pass. They are short, and they do not wait for you to feel ready.

About BrambleRidge Home Design Group

BrambleRidge Home Design Group is a BCIN registered architectural design firm serving Muskoka, Parry Sound, Seguin, and Ontario's Near North. Established in 2018, we prepare permit and construction drawings for custom homes, cottages, additions, and commercial projects.

We are not builders, and we do not take a commission on construction. That is precisely why we can write this guide plainly: our only interest in your project is that it gets designed properly and built from drawings that hold up.

We publish it as a public service, because well-informed clients make for better projects — for homeowners and for the people who build for them.

To talk about a project, or for a copy of this guide:

- Website: **brhdg.com**
- Email: **info@brhdg.com**
- Phone: **705-704-9393**

This guide is general information for homeowners and cottage owners in Muskoka, Parry Sound, and Ontario's Near North. It is not legal, financial, insurance, or professional advice, and it does not replace the Ontario Building Code, your municipality's by-laws, or the advice of your own lawyer, accountant, designer, or broker. Requirements differ between townships and change over time — always confirm with your local authority. Prepared by BrambleRidge Home Design Group.

Version 1.0 — September 2026