

Understanding Extension of Time Clauses in Construction Contracts: Lessons for Homeowners

Homeowners who engage contractors to undertake construction work on their property must be aware of the various clauses that are commonly included in construction contracts. One such clause is the extension of time clause, which deals with the circumstances in which the contractor may be entitled to additional time to complete the work. This article will examine the recent case of *Growthbuilt Pty Ltd v Modern Touch Marble & Granite Pty Ltd* [2021] NSWSC 290, and provide guidance to homeowners who may be facing similar issues.

Understanding Extension of Time Clauses

Extension of time (EOT) clauses are a common feature of construction contracts, and they provide a mechanism for contractors to seek additional time to complete the works if certain events occur. The events that trigger an EOT claim will usually be set out in the contract and may include factors such as adverse weather, delays caused by the client, or unforeseeable site conditions.

Lessons for Homeowners

In the case of *Growthbuilt Pty Ltd v Modern Touch Marble & Granite Pty Ltd* [2021] NSWSC 290, the subcontractor was unable to rely on the prevention principle to claim for an EOT because it failed to comply with the procedures for submitting an EOT claim. As such, homeowners should be aware of the following lessons when dealing with EOT clauses in construction contracts:

Understand the EOT clause: Homeowners should ensure that they fully understand the EOT clause in their construction contract, including the circumstances that may trigger an EOT claim, the procedures for submitting a claim, and any conditions precedent that must be satisfied.

Comply with the procedures: Homeowners should ensure that they comply with the procedures for submitting an EOT claim, including providing the required notice and supporting documentation within the specified timeframe. Failure to comply with the procedures may result in the contractor being unable to claim an EOT.

Seek legal advice: If a homeowner is unsure about any aspect of the EOT clause or the procedures for submitting a claim, they should seek legal advice. A lawyer who specialises in construction law can provide guidance and advice on the homeowner's rights and obligations under the contract.

You can be confident that you are getting
the right legal advice.

Conclusion

Extension of time clauses are an important feature of construction contracts, and homeowners must be aware of their rights and obligations under these clauses. By understanding the EOT clause, complying with the procedures for submitting a claim, and seeking legal advice when necessary, homeowners can protect their interests and avoid costly disputes with their contractors.

If you need legal advice or assistance with your construction contract, contact our Contracts Specialist today. Don't hesitate to take the necessary steps to protect your investment.

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the right legal advice.

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