Case Study

Construction Contract Claims

Florida Up-Scale Development Drama

The Problem

This project was a development of 18 new, upscale, single-family residences, ranging in size from 4,500 to 7,000 square feet. The General Contractor contracted with the Owner to construct concrete shells with a total contract value between $4.1 and $6.6 million, depending on the quantity of models built. The Owner terminated the contract and sold the project to another developer. A complaint for damages was filed and the court determined that the contract was wrongfully terminated, and the General Contractor was entitled to damages related to overhead and profit on the unfinished homes.

The Solution

Pete Fowler Construction was hired by the General Contractor to provide an opinion regarding reasonable amounts for this model construction overhead and profit. We collected, organized, and analyzed a large volume of project information. On the basis of our analysis, we concluded that the General Contractor applied an industry standard rate for their overhead and profit calculations, based on analysis via industry-standardized software and supported by surveys from the National Association of Homebuilders. We later provided Deposition and Trial Testimony, and a jury verdict was received in favor of our clients.

