

Homes at risk

Builder goes bankrupt

A BANKRUPT builder has left a trail of destruction as 20 homeowners in Melbourne's west are left with uninsured, half-built homes that are being vandalised.

ARB Homes went into liquidation in September with unfinished homes in Truganina. The business owes creditors \$7.2 million and had been building almost 60 houses in the area.

The building of the homes has been transferred to Creation Homes, but they are refusing to finish the properties unless owners pay higher prices. Until they pay the extra, the under-construction homes are not insured. Families can't insure them because they technically don't own them.

Creation Homes said ARB Homes pricing was an issue in the company going bankrupt.

Vandals are breaking in, graffitiing the walls, damaging windows and there are fears appliances may go missing.

The Victorian Managed In-

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urance Authority provides last-resort cover for homeowners when a builder goes bust.

But homeowners are frustrated at the delays the government authority has in processing their claims and, in the meantime, they are left with incomplete homes that are vulnerable to vandalism.

Rav Kandra is at least \$20,000 out of pocket on his \$250,000 home after an insurance pay out. "I'm scared that if there is a fire, if anything was to happen, the majority of us would be bankrupt."

Creation Homes director Sean Lefoe said owners were not obliged to go with his company. "We have provided them with a quote and that is all."

VMAI chief executive Warren Hutcheon said the authority would determine the claims from the ARB homes collapse within the 90-day time limit.

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