

Citation: *Kazemi v. Munro*, 2026 YKSM 5

Date: 20260626
Docket: 25-S0075
Registry: Whitehorse

SMALL CLAIMS COURT OF YUKON
Before His Honour Judge Christie

SHAHRAM KAZEMI

Plaintiff

v.

KAIGHEN MUNRO

Defendant

Appearances:
Shahram Kazemi
Kaighen Munro

Appearing on his own behalf
Appearing on her own behalf

REASONS FOR JUDGMENT

[1] This case involves a home renovation project and a claim for full payment.

[2] The trial on this matter proceeded on February 16, 2026.

Issues

[3] There are two main issues that are pertinent to this case.

1. Is Mr. Kazemi entitled to his Claim for \$17,150 (plus GST) for renovations work done?
2. Is Ms. Munro entitled to her Counterclaim for \$17,150?

Claim

[4] Mr. Kazemi's Claim is for \$17,150 for the outstanding balance due for services provided by his company, Shahram Construction, to Ms. Munro for renovations at her residence in 2024 ("Downstairs Renovations").

[5] Ms. Munro's brother passed away in August 2024. Previously, Mr. Kazemi had done renovation work for Ms. Munro's brother at his residence.

[6] Ms. Munro had also previously hired Mr. Kazemi to do bathroom renovations in her residence in 2024 ("Bathroom Renovations").

[7] Ms. Munro is opposed to the Claim. Her Counterclaim is for \$17,150 to address what she describes as deficiencies of work done on the Downstairs Renovations and Bathroom Renovations and her costs to address those.

[8] Ms. Munro's Reply and Counterclaim state that she is opposed to Mr. Kazemi's Claim and that her Counterclaim is for the same amount of \$17,150. In her Reply, she does not specify that she is seeking damages for breach of contract for the Bathroom Renovations or the Downstairs Renovations but based on her written and oral evidence, I am making that inference.

[9] On November 5, 2024, Mr. Kazemi and Ms. Munro both signed a copy of a one-page document (the "Agreement") that summarized the Downstairs Renovations done at the agreed upon price. This Agreement set out the following:

THE RENOVATION AS FOLLOW [sic]

- Ceiling of laundry room
- Remove damaged drywall and framing and new drywall, taping, painting
- The basement floor must be sanded and leveling 4 bedrooms and hallway
- New composite flooring
- Built in stairs and composite steps and nosing
- Change rotten [sic] stairs outside to dick [sic]
- Adjusting front door and place new weather strip
- Entrance wall, taping and painting

COST \$17,150 + GST

The first payment 50% of half a job done and the remainder of full payment within 30 days when the job is completed

[10] At the time of the Agreement, Ms. Munro told Mr. Kazemi that she did not have \$17,150 to pay him. Mr. Kazemi agreed that he would complete the Downstairs Renovations and Ms. Munro could pay him when she had the money or when she sold her other property. His evidence was that the agreement to delay payment was not for an indefinite period and that he expected to be paid after a reasonable amount of time.

[11] On November 27, 2024, Ms. Munro complained to Mr. Kazimi about the quality of the Bathroom Renovations. She told him that she noticed a crack in the drywall along the side wall encasing the bathtub, that the bathroom flooring was too short, leaving a gap that was filled with a thick bead of caulking, resulting in "an eye sore". Ms. Munro said that she was concerned about moisture getting in through the crack. Mr. Kazemi told her the crack in the drywall was due to the house shifting and that he could do the necessary repairs in a month. Rather than wait for Mr. Kazemi, Ms. Munro and her

mother hired a different contractor to repair the crack in the drywall, located in the upstairs bathroom.

[12] The Downstairs Renovations were completed in December 2024, at which time Ms. Munro added her signature to the Agreement document a second time, indicating "job done", in her handwriting above her signature.

[13] Ms. Munro paid Mr. Kazemi for the Bathroom Renovations in installments, for a total of \$15,015 by January 17, 2025, which was payment in full, as confirmed by text messages between them.

[14] Mr. Kazemi then requested payment on completion of the Downstairs Renovations. Ms. Munro indicated that she could not pay for the work performed as she was waiting on another house to sell prior to making payment.

[15] In March 2025, Ms. Munro texted Mr. Kazemi regarding her concerns. Mr. Kazemi responded that he was out of the country until April 9, 2025.

[16] Mr. Kazemi texted Ms. Munro on June 3, 2025, asking for payment.

[17] During the next meeting, in July 2025, Ms. Munro raised further concerns. At this point, Ms. Munro explains that she refused to pay Mr. Kazemi for the Downstairs Renovations for several reasons. First, she explains that she had already paid Mr. Kazemi in full for the Bathroom Renovations which she later realized were deficient. Then, she also complained of what she describes as numerous deficiencies with the Downstairs Renovations. Specifically, that the laminate floor was lifting due to, what she described, as poor installation as well as improper sanding of the floor-leveling

agent. She also complained about the nosing on the stairs breaking away. She provided photographs of these deficiencies.

[18] In July, August, and September 2025, there were several text messages and discussions about remedies, repairs, and payment. However, the parties could not reconcile their differences. Mr. Kazemi's evidence is that he offered and tried to address all of Ms. Munroe's concerns by doing all the repairs she identified free of charge. Ms. Munro's evidence is that she refused Mr. Kazemi's offers because she did not trust the quality of his work. Ultimately her mother and her decided to hire a different contractor to fix the remaining deficiencies.

Counterclaim

[19] In her Counterclaim, Ms. Munro refers to the opinion of a drywall contractor about concerns with the bathroom repair work done as part of the Bathroom Renovations. Ms. Munro also filed a letter of support from another contractor which provides opinion evidence alleging concerns about the flooring installation pursuant to the Downstairs Renovations and the Bathroom Renovations. Neither of the contractors were qualified as an expert, and neither were available for cross-examination, so I give their evidence less weight.

[20] Mr. Kazemi denies that his work on the two renovations was deficient to the extent that it could not have been corrected if Ms. Munro had permitted him to do so, as he offered.

[21] Ms. Munro filed several photographs of both the Bathroom Renovations and Downstairs Renovations. With respect to the photographs of the Downstairs Renovations, I note that there are observable gaps between the flooring and wall, gaps between some floor panels, what appears to be raised and depressed sections of sub-flooring, and the damaged noses of two of the stairs. With respect to the photographs of the Bathroom Renovations, I can see a crack along the vertical side of the wall to the left of the bathtub.

[22] There is also a filed photograph of an electrical outlet that appears damaged and a handwritten note that states, “Plug-in Plaintiff texted to Justin (Defendant’s brother) Nov 14, 2023 to this day Dec 3, 202 not fixed.”

[23] While these photographs appear to corroborate Ms. Munro’s concerns somewhat, I am unable to draw any significant conclusions. I do not have sufficient evidence to counter Mr. Kazemi’s contention that the deficiencies could have been repaired and that he offered to do so.

Law and Analysis

[24] A contract is defined in a helpful manner by Cozens, J. in *Duplisea v. Wilson*, 2018 YKSM 3, at paras. 74:

74 Reduced to its simplest form, a contract is made when an offer is accepted. There must be an agreement between the parties on fundamental terms in order for a contract to be made. The parties need to know what they are agreeing on and what services are to be provided in exchange for what consideration or value. There is not an enforceable contract if it cannot be determined with reasonable certainty what the terms are that the parties have agreed to. There must be certainty with respect to the fundamental terms of the contract in order for the contract to

be enforceable. Whether the parties have reached an agreement that results in a contract being entered into, and as such imposing enforceable obligations on the parties, is to be viewed objectively. The question to be asked is, would an observer, acting reasonably, apprised of the relevant facts, conclude that the parties have agreed to enter into a legally binding relationship?

[25] In *Oswald v. Start Up SRL*, 2021 BCCA 352, at para. 34, the Court set out the legal test for the formation of a binding and enforceable contract:

- (a) there must be an intention to contract;
- (b) the essential terms must be agreed to [by] the parties;
- (c) the essential terms must be sufficiently certain;
- (d) whether the requirements of a binding contract are met must be determined from the perspective of an objective reasonable bystander, not the subjective intentions of the parties; and
- (e) the determination is contextual and must take into account all material facts, including the communications between the parties and the conduct of the parties both before and after the agreement is made.

[26] I find that there was a valid contract in this case for the Downstairs Renovations, as established by the Agreement and communications between the parties. The Agreement set out the scope of the work by Mr. Kazemi and payment by Ms. Munro in return.

[27] I find it would be unreasonable for Ms. Munro to continue expecting that she could delay payment for longer than what was explicitly set out. As per the Agreement, the expectation was quite clear that “the first payment 50% of half a job done and the remainder of full payment within 30 days when the job is completed.” Mr. Kazemi generously agreed to extend these deadlines several times, in consideration of Ms. Munro’s grief and her need to sell a different property to secure sufficient funds.

[28] I also find that there was a valid contract for the Bathroom Renovations, although a written contract was not filed as evidence before me. I make this finding because both parties referred to this agreement for Bathroom Renovations having been initiated by Ms. Munro's brother before he died, and that there was an agreed upon cost that Ms. Munro paid Mr. Kazemi for the work to be done, in the amount of \$15,000 plus GST. Ms. Munro explains that she paid this cost "to honor [sic] the wishes" of her deceased brother because he had initiated hiring Mr. Kazemi for this project.

[29] As a general principle, a contractor is entitled to full payment upon substantial completion of the work (see *Belfor (Canada) Inc. v. Drescher*, 2021 BCSC 2403). An owner has the right to end a contract where the contractor has breached the contract in such a substantial or fundamental way that it amounts to a "repudiation" or rejection of the contract.

[30] A fundamental breach entitling the innocent party to repudiate the contract must be a breach that goes to the root of the contract and therefore deprives the contracting party of substantially the entire benefit of the very thing for which it contracted (*Angeltvedt v. Flint Field Services Ltd*, 2010 ABQB 749).

[31] A contractor may be found to have breached a contract where they abandon a contract, repudiate the contract, fundamentally breach the contract, or perform the contract in such a way that it is so defective as to amount, in substance, to a failure or refusal to carry out the contract work. In these circumstances an owner is entitled to terminate the contract, to claim damages for breach of contract, and to be discharged

from their obligation to pay on a *quantum meruit* basis or for work already performed (*D & M Steel Ltd. v. 51 Construction Ltd.*, 2018 ONSC 2171, at para. 53).

[32] In this case, I do not find that there was a breach of either the contract for the Bathroom Renovations or for the Downstairs Renovations. Mr. Kazemi fulfilled his obligations under both of those contracts. Ms. Munro paid Mr. Kazemi in full for the Bathroom Renovations. Ms. Munro signed off on the Agreement for the Downstairs Renovations and wrote above her signature “job done” upon completion. She asked Mr. Kazemi for several extensions of time to pay and only later did she complain about deficiencies.

[33] A contractor will not be required to show perfection in carrying out their obligations to be entitled to payment (*1593095 Ontario Ltd. (c.o.b. Northwood Window and Door Centre) v. McCann*, 2024 ONSC, at para. 263).

[34] Work that is poor quality or defective does not generally entitle an owner to terminate a contract unless it is so poor that it amounts, in substance, to a repudiation of the contract (see *Lind v. Storey*, 2021 BCPC 2). Absent a repudiation, the owner’s only remedy is damages for the deficiencies, which the owner bears the burden of proving (see *Absolute Industries Ltd. v. Harris*, 2014 BCCA 287). However, the contractor is generally entitled to a reasonable opportunity to address deficiencies. If the owner does not give the contractor that opportunity, they are generally not entitled to claim damages for having the deficiencies fixed by someone else (see *Rocksolid v. Bertoliss*, 2013 ONSC 7343, at para. 92; *D & M Steel Ltd.*, at para. 52).

[35] In some circumstances, it is reasonable for an owner not to give a contractor an opportunity to fix their own deficiencies, for example, if the work is so poor that the owner reasonably lost confidence in the contractor (see *Perk v. Savard*, 2022 BCCRT 775) or if the contractor has behaved unprofessionally (see *Lycan v. Mahan Counter Cop Ltd.*, 2022 BCCRT 418).

[36] I do not find that Mr. Kazemi's work was so poor that Ms. Munro can be said to have reasonably lost confidence in his work. I find that Ms. Munro unreasonably refused to allow Mr. Kazemi to address the deficiencies and complete his work. It follows that Mr. Kazemi is not responsible for Ms. Munro's costs to address the deficiencies which she paid to other contractors.

[37] I find that Mr. Kazemi did not breach either contract. While Ms. Munro raises some concerns about the quality of some of the work, I do not find that the deficiencies amount to a serious or substantial non-performance. Ms. Munro's refusal to allow Mr. Kazemi to address the concerns, as well as her delay in raising those concerns with him, and her unilateral decision to hire different contractors, disentitles her to her claim of damages.

Decision

[38] Ms. Munro is not entitled to her Counterclaim for \$17,150 from Mr. Kazemi.

[39] Mr. Kazemi is entitled to his Claim for \$17,150 (plus 5% GST which is \$857.50) for a total of \$18,007.50 from Ms. Munro.

Costs and Interest

[40] Mr. Kazemi shall also be awarded the following:

- \$100 for preparation fees, pursuant to s. 7 of the *Small Claims Court Regulations*, O.I.C. 1995/152 (“*Regulations*”);
- \$100 as compensation for inconvenience and expense, pursuant to s. 59 of the *Regulations*; and
- Filing fees, and fees for service, pursuant to s. 74 of the *Regulations*.

[41] Pursuant to s. 60 of the *Regulations*, Mr. Kazemi is entitled to pre-judgment interest pursuant to the *Judicature Act*, RSY 2002, c. 128, from the date of his claim filed on November 4, 2025. He is also entitled to post-judgment interest.

CHRISTIE T.C.J