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BOSICK & RASPANTI, LLP

CONSTRUCTION LEGAL EDGE

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SUMMER 2017

ARTICLES CONTAINED IN THIS ISSUE OF THE CLE:

3D Printing is Changing Construction

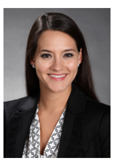
The technology behind 3D printing has been dramatically improving in recent years. What started as a niche technology in the late 90's and early 2000's has blossomed into a billion-dollar industry. When 3D printers first came onto the scene, they were incredibly expensive and not readily available, so applications for its use were limited. In fact, early uses were largely limited to making industrial parts that were typically molded or cast. In the last few years, however, 3D printing has been used to build everything from helicopter engines to prosthetic limbs. Incredibly, researchers expect that 3D printing can also be used to create new organs for people in need of an organ transplant.

In the construction industry, 2017 marked the first time that a 3D printer was used to build an entire house in just one piece. A San Francisco-based start-up named Apis Cor built a whole house in Russia using a mobile 3D printer. Remarkably, the project only cost around $10,000, and it took less than 24 hours to build. While the house is small and the style is simple (see photo), the ability to create livable, permanent structures so quickly and at such a low price-point could make housing more affordable for millions of people. This technique has been applauded because it can also be used for disaster relief efforts. In a matter of days, printers could be building multiple homes for areas devastated by earthquakes or hurricanes.

Apis Cor is not the only company competing to use 3D printers to build free-standing structures. Back in 2003, The Freeform Construction Group of Loughborough University in the UK, secured funding to explore the potential for up-scaling existing 3D printing techniques for construction applications. They were successful enough to secure additional funding in 2005 to build a large-scale construction 3D printing machine using "off the shelf" components (concrete pumping, spray concrete, gantry system) to explore how complex such components could be and still realistically meet the demands for construction. Since that time, many other groups and companies have been competing to figure out how to use the technology to shake up the construction industry. Another 3D printing construction project that has generated a lot of excitement is the proposal by MX3D to build a steel bridge in Amsterdam. The Dutch robotics firm hopes to equip multi-axis robots with 3D printing tools and use software to control them.

There are positives and negatives to using 3D printing technology in the construction field. Among the factors in the technology's favor are reduced supply costs, productivity gains, reduced labor costs and safer working environments. Some pitfalls of the technology include limits to what materials can be used by the printers, shifts in the type of skills and labor required by contractors, errors in a digital model could be riskier on-site than a traditional construction error, and individual access to the technology is still extremely expensive.

In the short-term, 3D printers of the scale and sophistication required to build standard-sized residential and commercial buildings are likely to be too expensive for average contractors. Instead, industry experts such as Dominic Thasarathar of Autodesk anticipate that leasing companies will branch out into 3D printers and other cutting-edge automated machinery as the technology evolves. At the very least, those in the construction industry should also expect to see 3D printers being used to build small prototypes and subcomponents for use in prefabricated buildings.



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Attack of the Drones: Are You Insured?

Drones and unmanned aerial vehicles (UAVs) now commonly occupy the sky for more than an occasional hobbyist's pleasure. Manufacturers, utilities, railroads, contractors, developers, insurers, inspectors, and a panoply of others now operate UAVs for a myriad of purposes such as ensuring safety compliance, surveying property, monitoring construction progress, or property maintenance. Drones have proven to be particularly useful on construction projects because they either perform tasks that previously couldn't be performed or perform tasks that previously could only be performed with increased safety risks to workers. While aircraft have captured the public imagination since Kitty Hawk and have for over a century now increasingly made worldwide transportation and commerce possible, UAVs have only recently become commercially useful. A recent PricewaterhouseCoopers study indicated that the global market for business services using drones was valued at $127 billion, with the construction and infrastructure sectors accounting for more than $45 billion. According to FAA estimates, 52,000 remote pilot certificates have been issued, and 820,000 drones have been registered, about 60,000 of which are drones intended for commercial use.

Such increased use naturally magnifies the potential liability that operators of UAVs incur. With this influx of drone use, in both commercial and recreational settings, come rules and regulations govern their operation. Last June, the Federal Aviation Administration issued its Part 107 commercial drone regulation, which requires that drone operations be performed during the day and that the pilot in command have "visual line of sight" conditions to operate the drone. Drone operators must also qualify for flying certificates by passing exams. In addition to the FAA regulations, drone operators must also contend with whether they are flying afoul of state and local trespassing laws. The intersection between state and federal law over drone regulation will soon create another level of red tape commercial entities will have to face if they want to take advantage of this burgeoning area of technology for its business. I insurance carriers are responding to the needs of drone operators by designing drone-specific policies to ensure that businesses are covered in this quickly evolving environment.

Imagine you need to inspect a new skyscraper or large-scale project. You would like to inspect a hard-to-reach area that normally would be reached by personnel on a crane. Now, those personnel, with the appropriate training, could pilot a UAV and accomplish the same goal more cost effectively and quickly with little to no risk of a potential accident involving that human personnel. A more cost efficient or safer task, however, does not necessarily equate to lower or eliminated risk.

Risks such as bodily injury or property damage due to drone malfunction or crash will no doubt dominate an insured's potential risk. Drones pose additional risks, though, including the potential for cyberattacks, invasions of others' privacy rights, and implications involving trade secrets. Because of these evolving risks, commercial entities can no longer rely solely on traditional commercial general liability insurance for coverage. CGL policies often contain exclusions for claims tied to the use of aircraft, data breaches, and "war risks" or terrorism. The Insurance Service Office has reacted to the influx of commercial drone use by introducing six endorsements, effective in June of 2015, that supplement existing standard CGL policies, as well as umbrella and excess policies by adding a definition of "Unmanned Aircraft" in the endorsements. Many businesses do not yet know that such endorsements exist, and their insurance brokers often do not know that their clients could use them. Moreover, some insurers have created drone-specific policies that contain specially drafted policy language to respond to the exposures of unmanned aircraft, including language covering bodily injury and property damage caused by the drone and catastrophic coverage to cover the potential risks from a drone colliding with manned aircraft or a drone crashing into a high-density urban area.

While protecting your risk from liability arising from bodily injury or property damage caused by a drone will be at the forefront of any drone insurance coverage, operators should purchase coverage that insures occurrences related to invasion of privacy, copyright infringement, trespass, and other injuries normally covered under Coverage B in a commercial general liability police. Drones may be used for audio-video recordings, taking photographs, or even streaming live video. With those uses comes the opportunity for a drone operator to implicate privacy laws by flying over private property. A general CGL policy would most likely not cover an insured that on a privacy claim arising from a drone's use, so tailoring the insured's coverage for this type of potential exposure will be very important for anyone creating audio-video recordings and/or taking photographs with drones.

Indeed, with a drone policy, an insured would not only have the drone itself covered, but also operators, and other non-pilot, on-ground crewmembers that could potentially be among the insureds. Unique to drone insurance policies is the ability to maintain coverage for any loss arising out of electronic malfunctions or failure of electronic components, a standard exclusion on manned aircraft policies.

The role drones play in commerce evolves day by day. Commercial UAV operators must remain cognizant of the federal and state regulatory changes governing drones as well as the constant updates to case law affecting commercial drone use. Insurers are responding to these changes by providing endorsements to existing CGL policies, as well as designing drone-centric policies to address the needs of the 21st-century business as drones take to the skies and dominate the way entities operate.

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Third Circuit Cautions Contractors About the Scope of the Bankruptcy Automatic

A recent Third Circuit opinion cautioned contractors about the complexities that arise when a general contractor becomes insolvent during a project. Issued on March 30, 2017, the case *In re Linear Elec. Co., Inc.*, 852 F.3d 313 (3d Cir. 2017) reaffirms that contractors must undertake a significant analysis before attempting to file a mechanic's lien in these instances or else they risk violating federal bankruptcy provisions imposing an automatic stay.

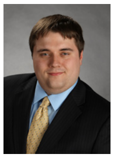
In *Linear* two suppliers, Cooper Electrical Supply Co. ("Cooper") and Samson Electrical Supply Co., Inc. ("Samson"), sold materials on credit to contractor Linear Electric Co. ("Linear"). Linear then took these materials from Cooper and Samson and incorporated them into various construction projects for which is it was a contractor. The developer owners of these projects then failed to pay Linear for the work which it performed. Without payments from the developer owners, Linear could not sataisfy the debts to Cooper, Samson, and other creditors. As such, Linear was forced to file bankruptcy on July 1, 2015.

In an attempt to ensure payment, on July 15, 2015, two weeks after Linear filed bankruptcy, both Cooper and Samson filed construction liens pursuant to New Jersey law on the developments which Linear had used their materials to build. Pursuant to the New Jersey construction lien law, suppliers who do not receive payment for materials which are incorporated into a project are permitted to file a construction lien relating to the real property into which they were incorporated. Shortly after Cooper and Samson filed for their construction liens, Linear filed a motion in the bankruptcy court to have both liens struck due to the fact that they violated the automatic stay.

On appeal, the Third Circuit affirmed that Cooper and Samson violated the automatic stay by filing their liens after Linear declared bankruptcy. Specifically, while New Jersey's construction lien statute allows second tier claimants, such as material suppliers, to assert liens relating to the real property into which their supplies were ultimately used, they can only be enforced by asserting a lien against the contractor's accounts receivable. As such, in order for Cooper and Samson to assert a construction lien under New Jersey law their claim by necessity also included a lien against Linear's accounts receivable. Since accounts receivable were an asset of Linear's bankruptcy estate, the actions by Cooper and Samson were in violation of the automatic stay and the liens were required to be struck.

New Jersey's construction lien statute certainly doesn't help reduce the confusion contractors may face. In fact, in the *Linear* opinion the Third Circuit reviewed its prior decision in *In re Yobe Electric, Inc.* 728 F.2d 207 (3d Cir. 1984) to highlight the difference between some states' laws. In *Yobe,* like *Linear*, a subcontractor filed a mechanic's lien after the general contractor declared bankruptcy. However, the *Yobe* mechanic's lien was filed pursuant to Pennsylvania law rather than New Jersey law, a critical distinction because Pennsylvania mechanic's law allows a claimant's filing to "relate back" to a time prior to the bankruptcy filing and the imposition of the automatic stay. New Jersey's construction lien law has no such equivalent. As such, the *Yobe* mechanic's lien was allowed to remain in its entirety and the subcontractor was able to guarantee that it received payment.

The recent *Linear* case shows that contractors must be certain of the applicable state law before beginning to act when a bankrupt company is involved. In addition to Cooper and Samson's liens simply being struck, they also risked being forced to pay damages for knowingly violating the automatic stay. As such, when bankruptcy issues arise contractors must exercise caution and ensure that they are acting appropriately when trying to collect outstanding payments.



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Avoiding Liability for Injuries to Downstream Employees through Indemnification Clauses

Builders, Developers, and premises owners often negotiate indemnification agreements with their contractors and sub-contractors that are intended to indemnify against claims brought by the contractor's employees who sustain injuries and sue for premises liability. Those who seek such indemnification, though, are often surprised to learn that their indemnification agreements are insufficient to waive an employer's workmen's compensation immunity. This article is intended to serve as a reminder of the "magic" language courts require to enforce indemnity agreements against the employers of tort claimants.

Pennsylvania's Workmen's Compensation Act ("The Act") protects employers from liability by making the insurance benefits available to the injured claimant the sole and exclusive remedy against an employer. 77 Pa. Cons. Stat. Ann. § 481(a). The Act, however, allows an employer to waive this statutory immunity by an express agreement to indemnify a third party for liability from claims brought by its employees:

> In the event injury or death to an employe[e] is caused by a third party, then such employe[e], his legal representative, husband or wife, parents, dependents, next of kind, and anyone otherwise entitled to receive damages by reason thereof, may bring their action at law against such third party, but the employer . . . shall not be liable to a third party for damages, contribution, or indemnity in any action at law, or otherwise, **unless liability for such damages, contributions or indemnity shall be expressly provided for in a written contract entered into by the party alleged to be liable prior to the date of the occurrence which gave rise to the action.**

77 Pa. Cons. Stat. Ann. § 481(b) (emphasis added). The policy reasons for such immunity are clear: the immunity is an added incentive and will encourage employers to purchase insurance and at the same time insulate them from having to pay anything beyond the workmen's compensation benefits. Thus, while courts recognize the exception to the immunity provided under the Act, they are very reluctant to permit the joinder of an employer as an additional defendant, and have interpreted indemnity contracts in this context strictly.

The seminal case on the issue is *Bester v. Essex Crane Rental Corp.*, 619 A.2d 304 (Pa. Super. 1993), *appeal denied*, 651 A.2d 530 (Pa. 1994). The case involved an indemnification clause that sought to hold harmless the indemnitee for the indemnitee's own negligence, and thus the holding was tailored to that end. The indemnification clause read:

> [t]he Lessee [Russell] shall defend, indemnify and hold forever harmless Lessor [Essex] against all loss, negligence, damage, expense, penalty, legal fees and costs, arising from any action on account of personal injury or damage to property occasioned by the operation, maintenance, handling, storage, erection, dismantling or transportation of any Equipment while in your possession. Lessor [Essex] shall not be liable in any event for any loss, delay or damage of any kind of character resulting from defects in or inefficiency of the Equipment hereby leased or accidental breakage thereof . . .

Bester, 619 A.2d at 306. While the Superior Court stated that so long as the indemnification provision is clear and provides for indemnity in either the third party's or the employer's own negligence, there need not be any boiler plate "employer hereby agrees to waive the protections of the Workmen's Compensation Act" language, it also held that the parties must specifically agree to indemnity regarding claims brought by the indemnitor's employees: "The intent to indemnify against claims by employees of the alleged indemnitor, however, must clearly appear from the terms of the agreement." *Id*. at 307. The court further held that indemnity provisions in this context are not favored under the law, and will be construed strictly so that general language including "any or all" or "any nature whatsoever" will be deemed insufficient. *Id; accord Muth v. Rondel at Atlas Terrace, LLC*, 2009 WL 50172 (E.D. Pa. Jan. 8, 2009). Finally, the Superior Court explained that, "in order for an employer to be held liable in indemnification **for injuries to its own employees** caused by the negligence of the indemnitee **there must be an express provision for this contingency in the indemnification clause**." *Bester*, at 308. (emphasis added). Applying the law to the clause at issue, the court found the required language to be lacking, and thus, there was no waiver of immunity.

Examples of indemnification agreements that Pennsylvania courts have held sufficient to waive the immunity include:

> **[Employer] agrees to indemnify, save and hold harmless Moyer Packing Company**, its subsidiaries, affiliates, their directors, officers, agents, workmen, servants or employees, **against any and all claim or claims brought by the agents, workmen, servants or employees of [Employer]** for any alleged negligence or condition, caused or created, [in] whole or in part, by Moyer Packing Company.

Hackman v. Moyer Packing, 621 A.2d 166, 168 (Pa. Super. 1993) (emphasis added).

The Contractor shall indemnify and save harmless each of the Bethlehem Companies from an against all loss or liability for or on account of **any injury** (including death) **or damages received or sustained by the Contractor** or any of its subcontractors **or any employee**, agent, invitee **of the Contractor** or any of its subcontractors . . .

Bethlehem Steel Corp. v. MATX, Inc., 703 A.2d 39, 42 (Pa. Super. 1997) (emphasis added). As you can see, the common thread in the two examples cited above is the magical language relating to claims brought or injuries sustained **by employees** of the employer.

Courts require this language in order to overcome the legislative intent to make workmen's compensation benefits the extent of employer liability.

Owners, developers, and contractors who contract with downstream employers and subcontractors should make sure their indemnification agreements include the magic language that applies the indemnification specifically to claims brought by the employer's employees. And although not required, we recommend including another clarifying sentence: "Employer's indemnity obligations under this section are not limited by the protections of the applicable workmen's compensation act." Language of this type will make the indemnity clause ironclad and not vulnerable to judicial scrutiny.

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Eliminate or Reduce Financial Impact of Retainage

In the 1840's, the United Kingdom was constructing a massive railway system. The huge work demand brought unqualified and insolvent contractors to the fray. Defective and incomplete work was commonplace. To combat the losses and assure that work was completed, the government withheld 20% of the contract amount. Thus, the practice of retainage was born. Critics say its time has come and gone.

Advocates of the practice, such as the surety industry, argue that retaining funds offsets the risks of overpayment for quantity or quality of work actually installed, defective work, or insolvency. The practice was considered a sacred cow until the early 1980's when the federal government led what has become a slow erosion of the tradition. In 1983, the federal government proclaimed a new policy providing for the elimination of retainage on all federal construction projects. "Retainage should not be used as a substitute for good contract management, and contracting officers should not withhold funds without cause," said the Office of Federal Procurement Policy. This "cause" standard was fully implemented in the Federal Acquisition Regulations in 1986 and the Department of Defense, the G.S.A., and the Department of Transportation all adopted a policy of "zero" retainage. Using federal funds as a carrot, many state departments of transportation now have "zero" retainage policies.

As a result of the economic downturn, retainage reform has accelerated over the last decade. The downturn has caused state legislatures to understand more clearly that retainage causes cash flow problems, provides gratuitous financing for owners, and allows owners and generals less incentive to properly inspect and manage a project's progress. Where retainage at 10% was the prior norm, a number of states have stripped retainage to 5% or less, particularly on public projects. New Mexico banned retainage on most public and private projects in 2007. Some states such as Kansas, Michigan, Nevada, Ohio, Oregon, Tennessee, and Texas require owners to place retained funds in interest-bearing accounts. Additionally, states such as Missouri require retainage to be held in trust accounts restricting the owner's ability to use and consume those funds for other purposes. Many states such as Colorado, North Carolina, Missouri, and Kansas have procedures for the release of retainage to early-completing subs or upon a percentage of completion. Some states also allow a subcontractor to post alternative security such as certificates of deposit, letters of credit, or bonds in lieu of withholding retainage. Most states and contract forms require the prompt payment of retainage to the sub once the owner releases retainage to the general or once a project is "substantially complete."

Despite the current climate, subcontractors still need to take steps to lessen or eliminate the financial impact of retainage or to, at a minimum, insure that contract language complies with applicable laws and regulations.

Educate yourself on the retainage regulations governing your work. Owners, generals, or subs often do not know the current status of retainage statutes or regulations governing the work. As a result, contract language frequently defaults to the 10% standard and violates other applicable legal standards. Before you enter into any contract, educate yourself on the retainage laws and regulations applicable in the location of the work. They vary significantly from state to state.

Subcontractors should never accept retainage terms or practices which are less favorable than the relevant law. It is hardly unusual for the subcontract form provided by the general to contain more onerous retainage terms and conditions than allowed by the jurisdiction governing the project. While the ConsensusDocs standard contract form states that the retainage percentage "shall not exceed statutory requirements," the AIA standard form does not contain such language. Neither form provides for strict compliance with the retainage rules and regulations where the project is located. If the contract does not comply with the law in every instance, educate the general and make sure the contract you sign is in strict compliance.

Subcontractors should never accept retainage terms which are less favorable than the general construction contract. "Flow down" clauses make the general construction contract's terms and conditions part of the subcontract. A sub should always obtain a copy of the general construction contract and review, among other things, the retainage provisions before signing. A subcontract should never have more onerous retainage provisions than the owner is requiring from the general. For instance, a subcontract should never allow a general to withhold more retainage from the sub than the owner is withholding from the general. The standard ConsensusDocs form provides some protection in that it requires any percentage withheld by the general from the sub to be "equal to the amount retained from the Constructor's payment by the Owner for the Subcontract Work." Additionally, the ConsensusDocs form requires that "the Subcontractor's retainage shall also be reduced when the Constructor's retainage of the Subcontract Work has been so reduced by the Owner." The AIA standard forms do not contain these basic protections.

More favorable contract terms supersede statutory requirements. The terms and conditions of a construction contract relating to retainage can and, depending on the state where the work is located, should be more favorable than the applicable law. Many generals are willing to negotiate retainage terms, especially with a subcontractor that they trust and with whom they have had positive experience. One of the best arguments for reduction or elimination of retainage is that all contract forms allow the owner, design professional, and/or general to withhold funds based for any number of reasons including defective work, insolvency, or evidence that the work will not be completed on time or at all. In other words, owners and generals which manage a project appropriately already have the contractual means to protect themselves from those very things that retainage was meant to address. The following are some of the items that should be the subjects of negotiation:

- Reduction or elimination of retainage once a project has reached a certain percentage of completion, such as 50%;
- Release of a portion of retainage already withheld once the work gets to a certain percentage of completion, such as release of half of the retained funds once the project is at 50% completion percentage;
- Release of retainage upon successful completion of work including completion of a separately-identifiable “line item” on the Schedule of Values;
- Deposit of withheld retainage funds in a segregated interest-accruing trust account;
- Payment of all interest on retained funds;
- Elimination of retainage where the subcontractor is required or willing to purchase performance and payment bonds for the project.

Early-completing subcontractors should always request a release of retainage upon completion of work. If you are an early-completing trade, always request a release of retainage upon completion of work whether those terms are in your contract or not or whether state law provides for such a remedy. This rule also applies to the subcontractor which has completed a separate line item scope of work on the Schedule of Values even if it has additional line items to complete.

Take caution not to waive lien or bond rights. Lien and bond rights can easily be waived through partial or final lien waivers. If waived, the ability to protect and leverage your right to receive retainage may be sacrificed. Subcontractors should exercise extreme caution and never sign contracts containing broad waivers of lien or bond rights, lien waivers which are not conditioned on actual receipt of payment, and lien waivers that expressly waive ***all*** liens/bonds as of a specific date. It is recommended that each time a sub signs a lien waiver, the following language should be affixed to the lien waiver above the signature line:

> This waiver shall apply only to work for which payment has not been received in full; shall not apply to retention; shall not apply to unbilled changes, claims which have been asserted in writing or which have not yet become known; and shall be conditional upon receipt of funds.

Protect and perfect your lien and/or bond rights. If your request for release of retainage on completed scopes of work is rejected, you should always protect your lien and/or bond rights and immediately file a mechanic’s lien or payment bond claim if the time for doing so will or is likely to expire before your retainage is expected to be paid. Early- completing subcontractor are frequently required to wait several months, if not years, before retained funds are to paid. It is not uncommon for retained funds to simply go unpaid or become “unavailable” at the completion of the project because of other problems having nothing to do with the early-completing subcontractor’s work such as poor project management, defective work by others, or the insolvency of the owner or general. An ASA study in 2007 cited “slow final payment” as a “very serious concern” and a majority of subcontractors responded that they do not collect 75% of the retainage they are owed. Filing a lien or bond claim will not only assure that your claims do not become stale, it may also have the desired effect of compelling the owner, general, or surety to pay retainage in a more timely manner.

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Are Restrictive Covenants Enforceable when an Employee Converts to "At-Will" Employment?

To attract high caliber employees, employers sometimes commit to employment for a fixed period through an employment contract. Not surprisingly, those employees with the leverage to command an employment contract typically represent a serious competitive threat once they leave the company. Given that dynamic, most employment contracts include restrictive covenants, such as non-solicit or non-compete agreements. The recent case of *Metalico Pittsburgh Inc. v. Douglas Newman, et al.*, __ A.3d __ (2017), 2017 WL 1398882 (Pa. Super. Ct., April 19, 2017) dealt with the question of what happens to the restrictive covenants in an employment contract when an employee converts to at-will status.

In *Metalico*, an employer entered into three-year contracts with two high-level executives. After the three-year period ended, Metalico continued to employ the executives as at-will employees, with some corresponding changes to the conditions of their employment. After working at-will for a year, the two executives departed to a competitor and solicited Metalico's customers to move their business from Metalico to their new employer. They also solicited Metalico employees to resign and join the new employer. In response, Metalico sought a preliminary injunction to enforce the restrictive covenants.

The executives argued that they were no longer bound to the restrictive covenants because the three-year term of their employment contracts had expired. The trial court agreed and ruled that the restrictive covenants did not carry forward because the transition from a term employee to an at-will employee constituted the commencement of a new instance of employment. The Pennsylvania Superior Court, however, rejected that rationale citing the following provision of the employment contracts:

> If the Executive's employment hereunder expires or is terminated, this
> Agreement will continue in full force and effect as is
> necessary or appropriate to enforce the covenants and agreements
> of the Executive in [§] 8[, which contains the restrictive covenants].

According to the Superior Court, because the employment agreements contained express language indicating that the employees agreed to be bound to the covenants for the duration of their employment, their status as at-will employees was irrelevant. Had the agreements not contained such express language, Metalico would likely have been left unable to protect its business from the solicitation efforts of these two former employees. Thus, if employers are considering retaining an executive in an at-will status after their contract for a defined period has expired, the employer should closely review the contract to make sure the non-compete/ non-solicitation provisions remain enforceable.


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Where In The World?

Construction Mystery: One hundred and fifty years ago a man was born who changed architectural design. He blended art, architecture, and nature to create an organic experience. Using compression and expansion, he altered the way space was incorporated in design, pushing the eye so that living areas unfolded naturally. An early proponent of decluttering, he paired down interior space and invited the natural world into the home.

While the house's iconic neighbor is better known, this hexagonal one-story Usonian home has a very livable appeal. The house was designed in 1954 for the Hagans, friends and admirers of the Kaufmans and their dramatic home. Light flows into the house through sky lights, casements and clerestory windows. With 58 angles drawing the eye from space to space and 24 terrace openings, it is a very unique creation.

Question: What is the name of this house?

Last Issue Answer: Hamilton Gardens, Hamilton, North Island, New Zealand

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