



What You Need to Know **BEFORE** Hiring a Remodeling Contractor



A Consumer Awareness Guide
By HighCraft Builders, Inc.



About the Authors

More than ten years ago, Dwight Sailer and Bryan Soth co-founded HighCraft Builders with a commitment to professional and ethical remodeling excellence. Today, that commitment is shared by the entire HighCraft design-build team. Their quality craftsmanship, exceptional customer service, and online project management system, serve as industry benchmarks of excellence.

Dwight and Bryan are men of their word, and their firm handshakes are always backed by clearly worded, detailed schedules and contracts designed to meet or exceed customer expectations. They also offer guaranteed completion dates, guaranteed contract pricing and five-year warranties on their work.

Both owners also realize their company is only as strong as the industry they represent, and the community where they work, live and raise their families. So giving back to professional and nonprofit organizations is important to HighCraft. Dwight and Bryan actively participate in several organizations that promote best practices within the remodeling industry, including Home Builder's Association (HBA) Remodeler's Council, Northern Colorado HBA, Larimer County Licensing Committee, Built Green Colorado and the Fort Collins Local Development Company. They are also proud to provide board leadership and support to local nonprofits that make a difference, like Open Stage Theatre, Fort Collins Symphony, the Homeless Resource Center of Loveland, Hospice of Larimer County and Adoption Dreams Come True.

In addition, Dwight and Bryan give back to their community and industry by providing this consumer awareness guide, and by hosting a series of free remodeling seminars at their office in Old Town Fort Collins. They also encourage staff to pursue additional accreditation, like CGB and LEED certification. It's important to Dwight and Bryan to serve as an educational resource to others, and to support the continuing education of the HighCraft design-build team.

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A Consumer Awareness Guide

Dear Homeowner,

We recognize that your home is one of your most valuable assets. But we also understand that a home is so much more than an investment in simple bricks and mortar. Home is where we relax, entertain, find comfort and make memories. At HighCraft Builders we take remodeling to heart, approaching each project – large or small – as if it were our own home.

Remodeling should be an exciting and rewarding experience for everyone involved, and selecting the right contractor for the job can make or break your peace of mind and the outcome of your project. Every contractor brings a different level of knowledge, skills, personality and dedication to the table, and unfortunately not all contractors have your best interest in mind.

So, how do you find the right contractor for your project? HighCraft Builders created this consumer awareness guide to demystify the remodeling business and to make it easier for you to identify reputable contractors. We care about our community, and we want to make sure that you and the rest of our neighbors have the best remodeling experience possible. We hope this guide will help many people make more informed decisions *before* they begin a remodeling project, ensuring homeowner satisfaction and happiness for years to come.

Best wishes,

A handwritten signature in black ink that reads "Bryan Soth and Dwight Sailer". The signature is written in a cursive, flowing style.

Bryan Soth and Dwight Sailer *CGB, CAPS*
Owners
HighCraft Builders, Inc.

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1. Purpose of this Guide

Not all contractors are alike, and unfortunately the remodeling industry has its fair share of shady characters. According to the Better Business Bureau, complaints against home improvement and home repair contractors are among the most common consumer complaints received.

Complaints range from high-pressure sales tactics and confusion over contract terms, to poor or incomplete workmanship and overcharging for the work provided.

Fortunately, much of this can be avoided with a little research. Unprofessional and disreputable contractors can be easy to spot if you know what to look for – and if you don't let the temptations of a low price keep you from seeing the warning signs.

Many homeowners feel overwhelmed by remodeling projects, and often admit they don't know the questions to ask to find the right contractor for the job. Some are too afraid or embarrassed to ask specific questions, and other homeowners confess they think all contractors are alike. If this sounds like you, then don't worry – this guide gives you specific questions to ask and might inspire a few more of your own. Just remember that any good contractor appreciates your questions and is more interested in working with informed homeowners.

The purpose of this guide is to give you the knowledge and tools to help you evaluate and select the right contractor for your remodeling project.

This guide isn't meant to specifically identify a local contractor for you – that is something only you can do for yourself. It's also not designed to show you how to manage your project. But if you take the time to hire a professional contractor, you will benefit from the proven systems and processes they have in place to ensure your project is managed successfully.

This guide will dispel some common remodeling myths, identify the warning signs, and provide a detailed list of things you need to do before hiring a remodeling contractor. By the end of this guide, you should also pick up some basics about how the remodeling business works, and be able to define a successful project. You will also gain a better understanding of the responsibility you have as a homeowner to arm yourself with as much information as possible *before* you begin your project.

Author's note:

We recognize that men and women are equally capable of being excellent contractors, and the term "contractor" is often used to describe a team of individuals at one company. For the purpose of this guide, we will often refer to a contractor as "he" or "him" to improve content flow and readability.

2. Common Remodeling Myths

Myth: *“Getting three bids will help you find the best contractor.”*

Not necessarily, but it’s a good place to start.

If your objective is to get a quality job at a fair price, simply comparing three estimates can be very misleading if you aren’t comparing “apples to apples.” That’s why it’s important for you to have a clear idea of your project goals, do your homework, and ask the right questions (see pg. 19) when requesting bids from contractors.

Just remember that even with a job as basic as replacing windows or roofing, one contractor’s methods and materials are often vastly different from the next, and building codes don’t adequately protect you from these variances.

So, if you compare estimates without doing much of the other due diligence explained throughout this guide, you may believe the contractors you’ve called are more similar than they really are. This may tempt you to choose one of the lower priced contractors, but using this selection method can cost you more in the long run (the next myth explains this in more detail).

Another approach is to request three bids, throw out the high and the low, and take the estimate in the middle. Without taking other important things into consideration – like references, insurance coverage, and quality of materials – this method is also a gamble, and in the end may emerge more expensive than the highest bid.

People often think that when the cost seems out of proportion to the actual materials and labor required to complete the job, the difference is lining the contractor’s pockets.

Despite the fact that remodeling can seem expensive, it’s not a highly profitable business, especially when you consider the amount of risk a contractor assumes every time he takes on a new project, and the amount of effort it takes to keep a project on track. Don’t let high price alone disqualify a professional contractor’s estimate from consideration.

Myth: *“Going with a low price saves you money.”*

The old saying, “You get what you pay for” is especially true in the remodeling business. If you solicit several bids and go with the lowest price, you are more likely to experience the cheapest materials, shoddiest workmanship and poorest customer service – and in the long run, you may still end up paying more money than the highest bid.

Many times the low-priced contractor has left something out of the job specifications, either intentionally or as an oversight. Regardless of the motive, you will end up paying for the underestimated job one way or another. The higher priced contractor is often more thorough and realistic, and has probably figured the job correctly.

Sadly, many contractors believe that the lowest priced bids get awarded the most jobs. This is definitely an easier way of selling due to less sales resistance, but eventually this strategy will catch up with this type of contractor. Sooner or later he will find himself out of money and out of business. If he goes out of business while working on your job, you could get stuck with an incomplete project and little recourse.

Listed below are some methods we've seen used by other contractors, both knowingly and unknowingly, in an attempt to maintain low prices to win your project:

- Intentionally leaves things off the estimate and/or contract, offers unrealistic allowances, and plans to charge more once the job is under way.
- Inaccurately estimates the time needed to complete the job correctly (they either plan to take short cuts, or they simply lack experience scheduling jobs).
- Uses a grade of materials inappropriate for your project.
- Hires inexpensive, unskilled labor.
- Doesn't carry proper types of insurance and/or carries incomplete coverage.
- Pays workers cash "under the table" to avoid payroll taxes and insurance.
- Offers no long-term warranty.
- Doesn't stick to your schedule, and prioritizes more lucrative jobs that are bringing in bigger dollars.
- Illegally removes hazardous materials and/or illegally disposes of debris.
- Fails to ensure dust control, surface protection, etc. to protect your home.

Bottom line – never use price as the only determining factor when selecting a contractor. If you encounter a low price offer, ask yourself: "Why is the price so low?" "What's missing here?" and, "Has the contractor figured enough into the cost to provide me with the level of service and craftsmanship I expect?"

"It's unwise to pay too much, but is worse to pay too little. When you pay too much, you lose a little – that is all. When you pay too little, you sometimes lose everything, because the thing you bought was incapable of doing the thing it was bought to do. The common law of business balance prohibits paying a little and getting a lot – it can't be done! If you deal with the lowest bidder, it is well to add something for the risk you run. And if you do that, you will have enough to pay for something better." – John Ruskin (1819-1900), English art critic and writer

Myth: *“If the Better Business Bureau (BBB) doesn’t have any complaints against the contractor, they’re a safe bet.”*

This is a common misconception. Keep in mind that the BBB is not a regulatory agency, so it doesn’t keep a record on every contractor in town. Many mediocre or shady contractors can operate for years without ever being reported. Likewise, there may be several very reputable contractors that the BBB has no record of at all.

The BBB’s database may be incomplete, but at least it’s a place to start when evaluating potential contractors (see *Start Asking Around* on p. 18). Visit www.bbb.org to conduct a search and view reports online, or call the BBB office near you. Poor reports without resolution are red flags and indicate the contractor may not be a good choice. You should always conduct additional research beyond the BBB (see *What to Watch Out For* on p. 11) even when there are no complaints filed against the contractor.

Myth: *“You should buy the materials yourself to save money.”*

Most professional contractors will not be interested in working under these conditions, and for very good reasons.

First, if you provide the materials, you run the risk of not ordering enough for the job. Also, having the wrong materials delivered, working with poor quality products or unfamiliar suppliers are major sources of frustration for contractors, and may cost them additional time and money. This added expense will be passed on to you, costing you more than if your contractor simply ordered the materials in the first place.

Second, professional contractors usually have strong working relationships with their suppliers, and will often receive negotiated discounts for many materials. Good contractors will also be able to quickly spot flaws or defects, ensuring the best materials are used for your job.

Occasionally contractors will have you supply the materials if they are out of the ordinary. Be careful with this type of arrangement because most contractors only offer warranties on items they supply. Cover your bases and let the contractor provide all materials if possible. This way you’re protected, the contractor is happy, and there is no confusion about who is ultimately responsible if something goes wrong.

Myth: *“If a contractor has been in business for a few years, he has enough experience to do a good job and manage your project well.”*

About 96% of contractors go out of business before their fifth year, and of those surviving companies, approximately 80% will never make it to see their tenth (source: *S. L. Nash, CGR, CAPS, President, Upscale Remodeling Corp.*). Given these statistics, if your contractor has been in business

for more than ten years, then that's a good sign. They must be doing something right to survive so long in this business.

However, just because a contractor has been in business for several years does not necessarily mean they are experts or consistently do a great job. You still need to check them out.

Reputation is the key, and the person who handles your remodeling project should not only have proven experience, but they should also have projects to their name that demonstrate quality craftsmanship relevant to your job. Again, do your due diligence and investigate your contractor thoroughly to make sure you are dealing with a qualified professional (see *Questions to Ask* on p. 19).

Myth: *"The term "fully insured" means the contractor carries all of the necessary insurance to provide you with adequate protection."*

Surprisingly, this is not always the case.

Contractors are required to carry a minimum of two types of insurance: worker's compensation insurance (if they hire one or more employees or assistants) and contractor's liability insurance.

Worker's compensation protects you if the contractor, or one of his employees, is injured while working on your property. Liability insurance covers damage to personal property – *like a broken window* – that is caused by the contractor.

While both types of insurance have become very expensive in recent years, worker's compensation insurance is considerably more expensive – up to four or five times as much as liability insurance. Because personal injuries usually expose you to the most financial risk, it is critical that your contractor carry worker's comp.

Many contractors illegally avoid paying for the more expensive insurance by claiming they technically don't have any employees. Most jobs require more than one person to complete, so you almost always need this type of protection.

In most cases, your homeowner's policy only covers injuries incurred by people considered to be *casual labor*, like a maid or gardener. It's a whole different ballgame when it comes to hired contractors.

To be safe, stick with those contractors who carry both policies. And remember, a contractor may consider themselves "fully insured" with one kind of insurance and not carry the other, so ask for specifics. To verify that a contractor has both liability and worker's compensation insurance, ask for the name and phone number of the carrier so you can call to verify the contractor's coverage (see *Questions to Ask* on p. 19). At the very least, ask to see certificates of insurance before you sign any contract.

3. The Good, the Bad and the Ugly

Every industry has its mixed share of professional companies and unsavory characters. The remodeling industry is no exception. Telling the good guys from the bad guys can be tough if you don't know what to look for, but it's relatively easy if you pay attention to the clues. Ignore the red flags, and your home remodeling project can get really ugly, really fast.

We often get a "gut" feeling if someone is trying to pull one over on us, but some bad contractors are very likeable at first, and promise you great things at reasonable prices. And what about the person who doesn't attempt to *intentionally* scam us? This is more difficult to detect, especially when someone is truly being sincere.

We're referring to the honest contractor, neighbor, family member or social group contact, who is either inexperienced, incompetent or both. They may mean well, but their lack of knowledge, or inability to complete or manage your project correctly, can be just as devastating as the work of an unscrupulous contractor.

In other words, it's not always the bad guys you need to watch out for. In fact, you need to be just as cautious of the clueless, honest guy as you would the scamming con artist.

A. What to Watch Out For

High-Pressure Sales Tactics

With the remodeling business becoming more and more competitive each year, many contractors resort to high-pressure tactics to get you to sign on the spot. These people are generally not interested in you or the eventual outcome of your project as much as making the sale, and will sometimes promise anything to get you to sign. You should never feel pressured into choosing your contractor, and never sign anything the first time you meet him.

If you ever feel pressured by a contractor, politely ask them to back off. If they persist, it's time to look for someone else. High pressure usually leads to poor choices when remodeling, and a qualified, reputable professional would never pressure an existing or prospective client into making a decision.

No Office, No Land Line – No Service!

If you can't verify a contractor's company name, address, and office telephone number, that's not a good sign. Many of these fly-by-night contractors are called "pick-up-truck" builders. These guys don't have legitimate businesses and are mobile enough to pack up and leave your job without a trace.

And speaking of mobile – just a word of caution about mobile phones. With the popularity of cell phones today, it would be unfair to say that all contractors who only offer a mobile phone number are bad contractors. Quite the opposite could be true. However, lack of a dedicated office land line might be an indication that the contractor has no real place of business, or it could mean he manages all aspects of his projects himself. Both scenarios spell trouble, particularly for larger, more complex projects that require intense management.

If you're suspicious of an address provided, drive by to check it out before you sign a contract.

Working Odd Hours and No Overhead

If your contractor asks to do most or all of the work on weekends or after hours, it's likely he's a one-man remodeler with another job, and your project is not a priority.

Also beware of contractors who boast of having no overhead. While all professional remodelers strive to control their overhead costs in order to be competitive, overhead is a necessary part of running any legitimate business. Overhead adds value to your project because it increases the company's ability to provide quality services and to manage your job effectively.

A contractor who is large enough to have a real person answering the telephone during normal business hours is almost always a better choice for larger projects. There are many one-man operations that are great at simple handy-man work, but they are rarely a good choice for bigger remodeling jobs.

No References

Be extremely leery of the contractor who is unable to give you a list of references, or who is unwilling to let you see one of his projects in progress. If you do receive a few references, but the numbers are disconnected or otherwise suspicious, find another contractor.

The "Price Reduction"

This scam occurs when you decline, or show reluctance about, the initial offer. In response, the salesperson offers a lower price for the exact same work. This is bad business. It suggests the contractor's original bid was overpriced, and he's trying to save the sale. If you can't trust him now you certainly shouldn't trust him with the keys to your home.

If you and the contractor negotiate different materials, design or methods that clearly have an impact on cost, this scenario would be fine. Otherwise, the price should always be *the price*.

Unusual Payment Terms

Beware of the contractor who asks that you pay for the entire job (or even a large portion) upfront, or asks you to pay in cash. You should write a check to retain a copy of your payment. A reputable,

professional contractor generally asks for a reasonable deposit and proposes a reasonable payment schedule.

There are too many horror stories about contractors who disappear with a homeowner's money without finishing the job. A professional contractor will present an equitable, mutually acceptable payment plan based on the progress of your project.

No Written Contract or Estimate

Be very cautious if the contractor doesn't want to go through the formalities of generating a written bid and signing a written contract. So many headaches and so much frustration can be prevented if there is a carefully drafted contract with a defined scope of work, clear specifications and detailed terms.

Insist on a thorough, written contract that includes all the details.

By following this rule you will substantially increase your chances of being satisfied. Many problems stem from people working with someone they feel "good about" and taking too much for granted. Don't assume something is included or excluded unless it's spelled out in writing.

In addition to the benefits that come from knowing what to expect, if a contractor takes the time to compile a detailed document, there will be far fewer *unforeseen* issues and misunderstandings, which will result in less stress for both parties and a project that moves along much more smoothly.

Bid or Schedule is too Good to be True

We've said it before, but it deserves repeating. Watch out if one contractor's bid is far below the others. This is a sure sign the contractor is either unfamiliar with the remodeling work required for your project, or he has underbid on purpose to get your business – with the intention of charging you with cost overruns later.

And if the timeline you're quoted seems too good to be true, it probably is. Professional contractors make it a point to set realistic expectations. Be cautious if a contractor can start today – good contractors are usually busy and worth the wait. Also, don't be lured by the contractor who promises an overly optimistic completion date. Chances are he's promising something he can't deliver.

Incomplete Specifications or Unclear Terms in Contract

Beware of "cost-plus" or "time-and-materials" contracts where the prices are not fixed. A fixed-price contract is straight forward, places minimum administrative burden on the contracting parties, and exposes the contractor – *not you* – to the risk if material costs increase after the contract is signed.

When you get a written contract, pay particular attention to the “scope of work” section in the proposal. This is the part that defines exactly what work will be completed, and which products, materials and methods are going to be used. This document tells you what you are buying for a given price and will be referenced many times during the course of the project.

Every scope of work should be full of detail and clearly written in terms you can understand. If there is a future disagreement about what is included in the contract price, the scope of work is your resource to settle the issue. It’s a major red flag if your contractor does not provide a well defined and well written scope of work in his contract.

Your Gut Instinct Says No

When you get a bad feeling about a contractor, trust your gut. Be very cautious of the contractor who seems slick, or who uses scary scenarios to get you to buy more expensive work or options than you want. Also, never give a house key to a contractor unless you’ve done your homework (see p. 18), you have a signed contract, and your intuition feels good about the guy.

In addition, be wary of anyone who rings your doorbell and tells you that you need new windows, a new roof or anything else. Remember that professional contractors are in demand and don’t need to go door-to-door trying to drum up new business.

Shoddy or Incomplete Workmanship

By far, this is the most widespread scam of all. It’s as common among the honest guys as much as it is with the actual con artists.

You wouldn’t believe how much shoddy workmanship we’ve seen over the course of our careers as professional remodelers. It’s been said that approximately 40% of home improvement work done today is a direct result of poor workmanship or improper materials installed by a previous contractor (source: *S. L. Nash, CGR, CAPS, President, Upscale Remodeling Corp, member NAHB.*).

To address the potential for shoddy workmanship, we recommend following up with references, and perhaps visiting a completed project, until you are 100% satisfied that your contractor will provide the level of workmanship you expect. Seeing is believing, so don’t take someone else’s word for it. Another person’s idea of quality might be completely different from yours.

Asks You to Pull Permits

Some contractors may ask you to get the required building permits. This could indicate he is either unlicensed, the work is outside the area in which he is licensed, or he is not able to get a permit due to improper or inadequate insurance coverage. The contractor may also not be in “good standing” with the local building department.

A reputable contractor will always obtain a permit on every job requiring one. When a contractor obtains the required building permits, you’re more likely to have things built to code. Building

codes are standards designed to protect you as a homeowner. Also, many homeowner insurance policies require that a permit be issued on any major remodeling project in order to be properly insured. Don't work with a contractor who refuses to pull the proper permits.

Doesn't Warranty His Work

Watch out for a contractor who refuses to give you a written warranty for his work. Warranties are essential to any remodeling project, and all contractors are required by the state to provide a minimum one-year warranty.

Remember that contractors who are committed to quality workmanship and client satisfaction should have no concern with standing behind their finished product for more than a year.

The National Association of Home Builders' (NAHB) Residential Construction Performance Guidelines is a set of performance standards to help determine whether a contractor's work requires corrective action in cases of dispute. Professional contractors should refer to the NAHB guidelines in their warranty, and be able to provide you with a copy upon request.

Appears Unkempt and Disorganized

A disorganized contractor often means a disorganized project, so now **IS** the time to judge a book by its cover. Pay close attention to the details to see if the contractor has it together. Is he professionally dressed? Did he arrive to your initial meeting on time? Does a small mountain of papers escape his truck cab when he opens the door? You want your project to be organized – that starts and ends with your contractor.

B. How to Spot a Good Contractor

Accessible, Organized and On Time

A good contractor keeps his appointments and remains accessible even during his busiest times of the year. If he's willing to break an appointment, what other commitments and schedules is he also willing to break? Again, pay close attention to the details to see if the contractor has it together. Good contractors are well organized, dress professionally, and show respect for clients by responding to calls promptly and arriving to meetings on time.

Credible and Trustworthy

Honesty and trust are important in any situation, but especially when the person has total access to your home. Make sure you feel a high level of trust for your contractor and listen to your instincts if you don't. Not only are you trusting him to be in your home and around your family, you're also trusting him with a good deal of your money.

To effectively manage larger projects, a credible contractor should have a physical business location, mailing address, office telephone number and a professional team working for him. To

further establish credibility, a reputable contractor is willing to give you copies of his insurance certificates and contractor's license, is happy to provide references, and encourages you to see samples of his work. If your contractor has a long list of happy clients and demonstrates a consistent reputation for doing quality work, chances are higher that you will be satisfied as well.

Professional and Community Outreach

Most professional remodelers belong to their local and national remodeling or home building organization or association, such as National Association of Home Builders (NAHB). This reflects a contractor's commitment to sharing and learning about best practices within his industry. In addition, a contractor's involvement in local nonprofit organizations speaks to his character, and shows he cares about the community where he lives and works.

Certified

If a contractor has taken the time to increase his knowledge by working toward designations, chances are you're dealing with a reputable person who is committed to his career as a professional remodeling contractor.

A contractor earns designations by demonstrating certain levels of skill and knowledge, and successfully completing numerous courses on various topics related to the industry. A professional contractor earns, or is working toward, accreditations such as Certified Remodeler (CR), Certified Green Builder (CGB), Certified Green Remodeler (CGR) and Certified Aging-in-Place Specialist (CAPS), and is happy to verify his credentials for you.

Provides Things in Writing

A good contractor wants to work with a written contract that clearly identifies his responsibilities as well as yours, and he understands the importance and necessity of permits and building inspections to verify that all work is completed according to local building codes and industry standards.

A responsible contractor will provide you with a specific, written schedule and will back it up with some type of guarantee, often penalizing himself if the schedule is delayed.

Your contractor should offer you the option of receiving a written lien waiver at the end of your project in trade for the final payment. This is a document that proves you have paid for the project in full, thereby removing the risk of subcontractors or suppliers placing a lien on your property if they aren't paid by your contractor for the work performed on your home.

Uses Quality Materials and Labor

Good contractors use quality materials and labor and don't substitute inferior goods or unskilled workers on a job.

Welcomes Your Questions

Not only does a good contractor welcome your questions, but he provides thorough answers. A good contractor makes you feel comfortable enough to ask any question, no matter how insignificant it may seem.

Protects You and Your Home

Remodeling can be very dusty and dirty. If not adequately controlled, dust will get everywhere, especially if there's a lot of sanding or demolition. A good contractor takes the appropriate measures to control dust and protect your floor finishes. This can increase the price a contractor quotes by a considerable amount, but it's an important step that is often overlooked by inexperienced or nonprofessional contractors.

A good contractor always carries proper insurance (see p.16, pulls all necessary permits, and calls for utility locates (if needed) for the job, protecting you and your property.

4. Homeowner Homework

A. Getting Started

So, you read the remodeling myths, learned about some red flags, and were given some tips to spot a good contractor. So what's next?

1. DEFINE YOUR PROJECT

It may seem simplistic, but the first thing you should do before you think of talking to a contractor is define the basic elements of your remodeling project, and write them down on paper. You don't need to go into too much detail – just enough to provide the general scope of the remodel. This quick exercise will help you explain the project in a consistent way when you begin interviewing contractors.

Example:

We want to remodel our kitchen, and would like new cabinets, lighting, appliances, sink, flooring and countertops. We will probably need some design services and help with finish selections, but we can paint the room ourselves.

It's also great to establish some basic goals for your project, like "I want more space to entertain my friends and family" or "I want to be able to cook a gourmet meal for 20." These statements are very useful, and factor into a good remodeling plan tailored to your lifestyle.

Now don't rush off to hire an interior designer or architect to draw your plan just yet. In fact, the best approach to a well thought out remodeling project is to find a contractor who is part of a "design-build" team. Design-build describes the process of combining design and construction professionals on the same team from Day One of a remodeling project to ensure everyone – from homeowner to electrician – is on the same page. Benefits of remodeling with a design-build team include enhanced communication, more creativity, improved accountability and increased homeowner satisfaction.

2. START ASKING AROUND

Before you Google remodeling or throw a dart at the Yellow Pages, try asking people you trust for their recommendations. Send out an email or give family, friends and neighbors a call. Stop by local lumberyards and ask them for names of contractors with good reputations. Be sure to get a contact name and telephone number if possible. It's amazing how quickly you can put together a list of possible candidates.

If you notice job signs in your area, stop by the site to have a look around. If possible, talk to the homeowners about the contractor.

Check out the contractor's Web site if they have one. Then call the Better Business Bureau, and ask if there are any complaints against the contractors on your referral list. Poor reports without resolution are an indication the contractor may not be a good choice, so cross them off your list. If there are no complaints filed against the contractor, this might suggest a good reputation, but you should still continue to do research beyond the BBB. Narrow your list further by calling each contractor with a quick set of questions.

B. Questions to Ask – *the phone interview*

Take your referral list, and call each contractor using the same set of questions (below). Remember to take notes. You probably have burning questions like "How much will it cost?" "How long will it take? And the always-popular, "When can you get started?" Don't worry – we'll get to those later.

This first-round telephone interview will help you narrow your list to the true contenders, but it is by no means an exhaustive list (we'll get into more in-depth questions once they make "the cut").

Introduce yourself, and tell the contractor the reason for your call (you can give a brief explanation of your project here). Then ask if they have time to answer some questions:

1. Do you have an office location? If yes, what is your address?
2. Are you properly licensed in this state?
3. Will you pull all necessary permits?
4. Do you carry general liability and worker's compensation insurance?
5. Do you offer a written warranty on all workmanship?
6. Can you give me homeowner and supplier references?
7. Will you provide me with a written contract that guarantees price, clearly spells out exactly what you will do, identifies what your price includes and excludes, defines a payment schedule, and provides a firm completion date?
8. Do you offer a free initial consultation?

If a contractor can't answer **ALL** of these questions in the affirmative, then cross them off your list. If they do answer them all positively, and you feel like they might be a good fit, then perhaps respond with:

9. I'd like for you to take a look at my project and explain your remodeling process. Can we schedule a meeting at my home, and would you please give me your list of references while we're on the phone?

Narrow your list of candidates down to your top 2 – 4 picks, and invite only those contractors to meet with you and submit a bid. Ask them to bring copies of their current contractor's license, and proof of liability and worker's compensation insurance. We suggest calling references **BEFORE** you meet with the contractors. An interview with a former client, or a visit to a job in progress, might

generate questions you can take to the face-to-face meeting – or they might convince you to cancel your meeting altogether.

C. Making the Final Cut

The initial telephone interview helped you narrow your list of eligible contractors. Now it's time to check their references and inspect their work. Even if you have only one or two contractors to choose from, it's smart to go through this exercise.

Call the contractor's references.

A reputable contractor should be able to provide plenty of positive references from homeowners *and* suppliers. As mentioned earlier, you would be wise to avoid any contractor who can't. But many people get a list of references, assume they're good and don't follow up. Interviewing a reference is your opportunity to discover a lot about the contractor you might hire, so it's worth the time to make a few calls.

Some possible questions to ask a homeowner reference:

1. What type of project(s) did the contractor do for you?
2. Did they do a quality job?
3. Why did you choose this contractor?
4. Did you get estimates from other contractors before you started your project? If so, how did they compare?
5. Did the contractor finish within the timeframe he said he would?
6. Were the crew members respectful and clean? Did they seem to know what they were doing?
7. Was the contractor responsive to your questions and/or concerns? Could you reach him quickly?
8. Did they maintain a neat and orderly job site?
9. Did the contractor do what he said he would do?
10. How often was the contractor on the job site?
11. Were there any additional charges and if so, were they handled in a way that left you feeling satisfied?
12. On a scale of 1-10 (ten being highest) how would you rate your overall experience with this contractor?
13. Do you have any reservations about hiring him again?

If you call a supplier, ask if the contractor is professional, easy to work with and if his accounts are current. Be wary of a contractor who can't give you any supplier references – he may owe them money.

Inspect the contractor's work.

At minimum, ask the contractor to see before-and-after photos of completed projects and request to visit a job in progress. For current projects, take a close look around. Is the job site neat and clean? Do things appear to be organized? Are the homeowners happy or are they disappointed? Does the level of craftsmanship meet the expectations you have for your project?

D. Questions to Ask – *the personal meeting*

You further narrowed your list with a few calls, checked references and maybe inspected some job sites. Now it's time to meet in person, because no one can give you a decent estimate without looking at your remodeling project first-hand. This is also a great way to see if you click, and to learn about his personality and communication style.

Even if you think you know your top pick, meet with the finalists at your home, show them your remodeling project, and use the time to ask some deeper questions. Take note if they arrive to your meeting on time, early or late – and if their appearance is professional. As mentioned earlier, this is a sure sign of things to come (for better or worse). Be sure to ask the same questions of each contractor, and take notes so you can compare the responses “apples to apples”:

1. Are you a remodel specialist?
2. What percentage of your business is repeat or referral based?
3. How many projects like mine have you completed in the last year or two?
4. How long is your warranty?
5. Do you guarantee your production schedule?
6. Do you offer a fixed-price contract?
7. How many years have you been in the remodeling business?
8. What is your process for managing jobs?
9. Do you provide any online project management tools for homeowners?
10. How often will you be at my job site?
11. Who will be in charge of my job? May I meet this person?
12. How is daily communication handled?
13. Do you offer homeowners any wholesale discounts on materials?
14. Are you part of a design-build team, and how could that benefit my project?
15. Are professional interior design and architectural design services available for my job?
16. How do you plan to reduce dust and protect the rest of my home from the effects of remodeling work?
17. How is daily and general clean-up handled?
18. Do you require all change orders in writing?
19. Will you give me a lien waiver when the work is done?
20. Have you had your referrals rated by a third-party? If yes, what was the rating?
21. Are you a member of the National Association of Home Builders (NAHB)? Do you subscribe to their code of ethics?

22. Are you a member of your local Better Business Bureau?
23. Have you been a party in any construction litigation?
24. Are you a Certified Remodeler?
25. How are you involved in the community?
26. Have you received any awards or recognition as a company?
27. Do you stay in touch with former clients? How?

And if building green is important to you:

28. Are you a certified Built Green company, and can you manage the process to make sure I get my Built Green tax credits?
29. What are your other green building affiliations or certifications?
30. Do you recycle debris from your projects?
31. What kind of eco-friendly materials do you offer?

If you feel comfortable with the contractor and satisfied with his answers, then **ask him to send you an estimate**. Once you receive all the estimates, it's time for the next step.

E. Comparing Estimates

You've done a lot of research and asked a lot of questions to get you to this point. Feel confident that you're better able to compare estimates with a more critical eye.

As you review the estimates, consider each contractor's experience, warranty, quality and accessibility. Compare the different contractors' answers to the same questions. If you're having a hard time choosing one, then think about who made you feel the most comfortable, and who took the time to answer questions thoroughly.

And if you like a higher priced contractor, but their estimate is more than you can afford, just give them a call to discuss the bid. A professional contractor will welcome the opportunity to help you modify the design or scope of work in order to better fit your budget. As long as you are open to making some changes, this approach can be very helpful.

Once you select a contractor's estimate, call him to request a written contract.

F. The Written Contract

Read the written contract carefully. Don't rush. Ask questions about anything you don't understand, and don't hesitate to ask for changes to the contract if needed. Don't forget – you're the customer.

Every part of the job, from the general conditions and demolition to the final trim and clean up, should be clearly described. General terms like "install windows and doors" are too vague and

should be spelled out indicating the exact window and the specific door, including make, model, size, features, location, color and style for each.

The written contract should include the following:

- A visual representation such as a blueprint, floor plan, drawings, sketches, etc. that clearly shows what work is being done and where.
- Very detailed specifications for all products and materials. The description of each item should provide identifying detail.
- Allowance terms, including suggested price range, for any materials to be selected later like fixtures, flooring, counter tops, lighting, etc.
- A list of work and/or things not included.
- The timetable in which the project is expected to be completed, including approximate start and end dates.
- The price, along with payment terms and a detailed schedule.
- Statement confirming contractor will pull all necessary permits and will call for utility locates (if applicable).
- Procedure for handling change orders.
- Details addressing certain issues like access to your home, care of the premises, bathroom use, etc.
- Cleanup and debris removal.
- Warranty coverage.
- Statement verifying contractor is responsible for paying the tradesmen, subcontractors and material suppliers for services rendered related to your project.
- Insurance information.

5. Tips for a Smooth Project

Homeowners and contractors both play an important role in any remodeling project, and they share certain responsibilities to ensure the job runs smoothly.

Good Communication

It's essential that you make yourself accessible and develop an excellent flow of communication with your contractor. You both have a responsibility to return calls promptly, listen attentively, take notes when needed, and handle challenges as a team.

Right Fit

You will be spending a good deal of time with your contractor and his staff, so it's important you feel comfortable with them. It's extremely beneficial if you both genuinely respect each other and have complementary personalities. A professional contractor desires a customer for life, and will indicate the importance of your happiness every step of the way. Like any good relationship, developing a strong rapport and establishing close communication with your contractor will help your job go more smoothly.

Go Into Detail

There are several things that should be discussed prior to starting your project, but may not be included in your written contract. What time will work start and end each day? How will pets be dealt with? How do I keep my kids safe? Where will materials be stored? Discussing details like these upfront saves a lot of aggravation and eliminates possible misunderstandings down the road.

Flexibility

Remodeling can be extremely disruptive to your normal lifestyle. Remember to be as flexible as possible for your sanity, and for your contractor's. It's probably not a good idea to plan a party based on the completion date, or to schedule overnight guests when your house is being remodeled. Be prepared to make some sacrifices and remember that these disruptions are temporary. Also, try to be understanding if things happen to delay your project beyond your contractor's control. Likewise, it's your contractor's responsibility to inform you immediately if something comes up unexpectedly that may delay your project. Just remember that things happen, and try to resolve challenges with mutual respect.

Change Orders Happen

Changes to a clearly defined scope of work typically fall into two categories: 1.) homeowner requests for additional work, and, 2.) a hidden condition, where something is uncovered during the course of construction. Our experience is that more than 90% of change orders are homeowner driven. Given this, it may be a good idea to set aside an additional 5 - 10% beyond the contract amount to cover

potential changes. We often hear “Oh, while you’re here, would you mind ...?” and good contractors want to help.

With a professional contractor, change orders are not a way to make up for missed estimates or a lack of profitability on the job. Just make sure that ALL changes are in writing to avoid any surprises in the end. Also recognize that almost all changes will affect the construction schedule.

6. Measures of Success

Everyone has their own definition of what makes a project successful, but for the sake of this guide our definition of a successful project is one where:

- All of the expectations you set are either met or exceeded.
- You are left feeling very pleased and satisfied with the final results.
- The quality of work is exceptional and enduring.
- You felt comfortable with the people who worked on your home.
- You and your contractor respect each other during and after the work is done.
- You feel that you've paid a fair price for the value you received.
- The project has added value to your life and home.

Carefully selecting the right contractor for your remodel should help you meet these criteria and lead to your satisfaction. Satisfied clients are **many times** more likely to return to their original contractor for future projects, and to refer them to others. A professional contractor takes pride in his work, is satisfied with a job well done, and sincerely wants you to be happy with your remodel. It's not just good for business – a good contractor knows it's the right thing to do.

7. Consider HighCraft Builders

Remodeling your home can be an exciting endeavor as long as you've hired the right team of professionals to take on your project. We hope this guide will make the process of choosing the right contractor easier the next time you remodel.

If you're located in Northern Colorado and would like to speak with us personally, please don't hesitate to call for some free advice. HighCraft Builders has been serving our region for more than ten years, and we have extensive experience in creative design and high quality remodeling services for:

- **Kitchens**
- **Bathrooms**
- **Additions**
- **Exterior Facelifts**
- **Basement Finishes**
- **Custom Space Remodels**
- **Outdoor Living Spaces**
- **New and Rebuilt Homes**

We're also happy to provide recommendations for many other services, such as plumbing, heating, painting and electrical. We do this for free because we like to help good people find good contractors.

Year after year, dozens of discerning people trust their homes and remodeling projects to HighCraft Builders and our team of designers and craftsmen. Many of these homeowners are repeat clients who hire us time and time again.

If you like your home, HighCraft can make you love it. As a professional, full-service design-build remodeling contractor, we will work with you to incorporate your ideas and ours into a project that best fits your home, lifestyle and budget. Large or small, we can take your project from concept to completion, and our craftsmanship and customer service are second to none.

If you live in the area and would like to discuss the exciting possibilities for improving your home with a qualified and reputable remodeling professional, please give us a call today at **(970) 472-8100**.

We're happy to discuss your needs over the phone. If you feel HighCraft might be a good fit, we will gladly set up a no-cost consultation at your home. This gives us a chance to take a closer look, discuss your ideas, make suggestions and answer all of your questions – and you are under no obligation to hire HighCraft Builders for the job.

Whether or not you choose HighCraft Builders, we hope you find this guide useful, and we wish you the best of luck with your remodeling plans. To learn more about HighCraft Builders, visit us online at **www.highcraft.net** and sign up for our free monthly email newsletter.



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