APPENDIX



## How to Find the Remodeler You Really Want

A Remodeler Selection Guidebook

DAVID LUPBERGER

Virtually all homeowners approach the remodeler selection process with a mixture of excitement and anxiety. Deciding to remodel your home is exciting, but it can also be a fearful because your dream home and thousands of dollars are at stake. Feeling confident that you'll choose well is difficult when these mixed emotions are present.

Your fears don't have to rule you during the selection process because you can find an excellent remodeler. This booklet will show you how to build a list of qualified candidates to remodel your home, and it will explain how to test them so you can choose the one best suited for your job. You'll find the selection process is not only manageable, but also informative and rewarding. As a bonus, it can aid in the development and refinement of your dream home design.

Summarized below are the simple steps you'll need to take to find the right remodeler. As you look over this list you may think it looks too easy and obvious to be of any use. On one level you are correct. When you think about it, the plan is obvious and straightforward. But as you read on, you'll see that the booklet equips you with two powerful tools that make you master of the process.

- You'll learn to ask the questions that matter most.
- You'll learn who to ask those questions to and when to ask them.

## **Locating Happy/Satisfied Remodeling Veterans**

If you're planning a remodeling project, begin your search for competent, reliable, and honest remodelers in your own neighborhood. Take a drive to discover where remodeling jobs are underway and begin collecting names. Most remodelers will post signs promoting their services in front of homes in which they are working. Also look for other clues such as trade contractors vans or trucks or construction dumpsters. Whether you see a sign identifying the remodeler or not, knock on the door and speak with the homeowner.

Better remodelers understand that if they do a good job, they're usually guaranteed more work in that neighborhood. I know of no better source of high-quality referrals than a happy homeowner, so the better remodelers will work hard to leave a legacy of satisfied customers.

Another source of leads is friends or colleagues at work or school, clubs, professional organizations, or charity or service organizations you belong to. Be bold! The more people you ask, the more names you'll be able to gather. Be sure the people recommending the remodeler have personal experience with his or her work.

You may find your next step, contacting these homeowners, to be quite engaging. I have found that many people who have recently completed a remodeling project want to talk about it. These folks are overflowing with information from this once-in-a-lifetime experience and are full of stories they may want to share. Your visit with them will be well worth the time.

And not only are their memories of the stories, characters, and events fresh, but of their memories of the emotional roller coaster are as well. Your connection with these homeowners will be valuable both for the information they provide and the perspective they bring. They'll want to share their highs and lows with you because they've been in your shoes, and they know something about how you're feeling at this point in the process.

#### **Additional Sources for Remodelers**

Other sources aren't as dependable. For instance, you can use the phone book. But, are you willing to spend thousands of dollars based on a random lead you get from the *Yellow Pages*®?

While you shouldn't have any problem locating remodeling veterans, I've included the telephone number of the major professional organization that can provide names of remodelers in your area.

There are 2 primary trade organizations that represent remodelers. You can contact the National Association of Home Builders (NAHB) Remodelers Council at 800-368-5242, ext. 216. The NAHB bookstore has published 3 consumer information brochures entitled the "Remodeling Your Home" series.

They are (a) "How to Find a Professional Remodeler" (b) "Understanding Your Remodeling Agreement" (c) "How to Live With Your Remodeling Project." All 3 can be purchased from the NAHB bookstore for \$3. You can also call the local National Association of the Remodeling Industry (NARI). The office number is 703-442-8453. Ask for the most recent NARI Home Remodeling Guide that will list industry members in your area. Because the purpose of these associations is to promote professionalism and image within the remodeling industry, association members probably are more reliable than remodelers who aren't members.

#### **Contact Home Owners**

Most remodeling veterans, whether their experiences were good or bad, are happy to share what they learned. They not only will give you the name of their remodelers and a view of their finished jobs, but they also are likely to share their design ideas and what they learned during the process.

Most veterans I interviewed believe their experience qualifies them as experts. They have a clear perspective of their remodeling project and, given a second chance, would always do some things differently. They think they have a great deal to share with the uninitiated about how the remodeling job really went, what to expect, and how to cope with delays, changes, breakdowns, and the general upsets that accompany such an undertaking.

Don't hesitate. Your request is quite reasonable: you want a bit of their time, a peek into their homes, and their opinions of their remodeler. Call them now!

#### **Homeowner Interviews**

Once you've contacted a few homeowners, and they've invited you over, make the most of your opportunity. Be sure to address the following four issues:

- Discover the quality of the homeowner's experience with the remodeler. Was he or she competent at all points in the process? Would they use him or her again?
- Examine the project for possible design ideas. Notice how you feel in the new space.
- Try to assess the quality of the work. Look closely at the project.
- Ask how well the remodeler predicted the cost of construction, specifically the preliminary estimate compared with the final cost. They usually will not be the same, but find out how far apart they were and how easy it was to arrive at a final contract price. Ask how much change orders affected the final price.

There is a list of detailed questions, located at the end of this section, to guide you.

Six to twelve months after a job has been completed is an excellent time to interview homeowners. During that interval their remodelers will have responded to some warranty item claims. (Note: the industry standard is a 1-year warranty on all labor and materials installed by a remodeler and not covered by a manufacturer's warranty.) Because professional remodelers address warranty claims quickly and thoroughly, such claims are an excellent test of their reliability and professionalism.

You'll find that visiting remodeling projects are an excellent source of design ideas. Ask the homeowners how they arrived at their particular choices. This information will both help focus your own ideas and develop your understanding of the design process.

In your tours of these different homes, you'll begin to appreciate the different levels of attention to detail and quality of finish. You'll begin to discern a good drywall job: smooth, blemish-free walls and ceilings with invisible seams. You'll begin to recognize quality interior trim work where the joints are tightly fitted—in contrast to poorer jobs with gaps and misalignments. You'll begin to appreciate that better remodelers stay on top of all details all the way through to the end of the project. Here is a list of essential homeowner interview questions:

- 1. Could they communicate well with the remodeler?
  - a. Did the remodeler listen to their concerns?
  - b. Did the remodeler respond quickly to their questions and requests?
  - c. Was the remodeler easy to speak with?
- 2. Were they pleased with the quality of the work?
- 3. Were they satisfied with the remodeler's business practices?
- 4. Did the remodeler add value engineering (cost saving suggestions) and provide price checks (ongoing estimates regarding the finished project)?
- 5. How close was the preliminary estimate the remodeler provided to the final contract price?
- 6. How did the remodeler and homeowner resolve any differences that arose during construction?
- 7. Did work crews show up on time?
- 8. Were the homeowners comfortable with the trade contractors the builder used?
- 9. Did the work crew clean up the jobsite daily?
- 10. Was the job completed on schedule?
- 11. Did the remodeler fulfill his or her contract to the homeowner's expectations?
- 12. Did the contractor stay in touch with the homeowner throughout the whole project?

- 13. Was a project manager or lead carpenter on the site every day?
- 14. Was supervision adequate?
- 15. Did the homeowner find the remodeler easy to reach?
- 16. If the homeowner hired an architect, how well did the remodeler work with that architect?
- 17. Did the remodeler hold regular progress meetings with the homeowner?
- 18. Were final details finished in a timely manner?
- 19. Would you use this remodeler again without hesitation?
- 20. Was the remodeler trustworthy?
- 21. Do you believe that you got good, satisfactory value for the money spent?
- 22. How has the remodeler handled warranty claims?
- 23. Would you recommend the remodeler unconditionally?

The more you learn, the greater your comfort. The greater your comfort, the greater command you will have over the selection process.

Come prepared with a camera, pen and paper, or a tape recorder. Be sure to ask for permission to take notes or photos. You'll want records of what you learn as you begin to compile a list of possible remodelers.

# The Introductory Call: Your First Contact with Prospective Remodelers

Most people don't like interviewing remodelers because they don't have confidence in their ability to discern if a remodeler is honest. If you've done your homework with thoroughness and patience, you've spared yourself that anxiety because you already know your candidates are qualified, honest, and reliable.

At this point, you should feel confident about your list because you've already prequalified the names on it. If you don't feel confident, you need to ask yourself why. Then you need to call back homeowners and get the answers you need.

When you begin interviewing remodelers, your task will be to locate one you can work with, one whose interest in your project impresses you, one who listens carefully to what you say. The goal of this quest is to find compatibility with a remodeler whom you'll be able to work with successfully for the 6 to 12 months a large project may take.

Once you're ready to begin the interviewing process, call the remodelers in the order you've rated them. Be prepared to describe your project and state when you'd like to begin construction.

To give you a peek at how prospective remodelers may handle your call, let me tell you how I deal with initial conversations. As a professional remodeler, when I speak with prospective clients, I attempt to gauge their seriousness by asking specific questions about their design ideas and budget. If they're planning an addition for instance, I ask if they know how large they want the addition to be and what rooms will be included. I want them to describe to me what they want in as much detail as they can. I also ask if they've thought about what grade of finish materials they'd like. For example, will kitchen counter tops be a laminate finish, ceramic tile, or polished granite? Will bathroom fixtures be brass or chrome? Will the new rooms have hardwood flooring or be carpeted? These questions give me a good idea about the level of finish the homeowners are considering, and begin to give me some preliminary ideas about the cost of the project.

I ask if they have a preliminary budget for their project. Their response lets me know whether or not they understand the true cost of remodeling.

Professional remodelers are extremely busy. You may have to be patient as you attempt to set up your first meetings. If someone you like doesn't return your first call, give him or her a second chance. If they don't return that call, cross them off your list. Just as you want to avoid fly-by-night remodelers, you also want to avoid someone who is too popular. If a remodeler doesn't have time to return your call now, you can imagine how stressful that could be after work on your house begins.

When you call the remodelers on your list, have three to five preliminary questions ready to ask each of them, such as:

- Have you completed a job similar to this before?
- If you have, may I see it?
- Do you have a list of references that I can contact?
- When will you be able to start the job?
- When could we meet in person to further discuss this project? (use this question only if you're encouraged by the answers they give).

I have no set script for these calls. In fact, in the course of some conversations a remodeler may offer everything suggested above and more. Be aware of how easily the conversation progresses. When you hang up, make a few notes on the conversations. What were your impressions of the remodeler? Did he or she listen well? Did he or she answer your questions thoroughly?

## **Your First Meeting with Preselected Remodelers**

In this new relationship, common courtesy is a must and professional remodelers understand this fact. If a remodeler fails to show up for your first meeting and does not call to reschedule, cross that one off your list.

All principal parties should be present at this initial and all subsequent meetings. This includes the remodeler and both spouses, if applicable. Given the number of interviews you (and your spouse) will have, plus the number of subsequent design and planning meetings you'll have once you settle on a remodeler, this requirement may seem unreasonable. But it's absolutely essential for all parties to participate fully in this process and for everyone to operate with equal information.

Questions you should ask the remodeler during your first meeting are listed below:

#### **Business Identity**

- How long has the firm been in business?
- What is its permanent business address?
- Is the prospect licensed to work in your area?
- What year was the business initially licensed?

#### **Business Practices**

- What will the payment or draw schedule look like?
- How does the company ensure that warranty service complaints are effectively handled?
- How does the company maintain good customer relations throughout the construction and warranty period?
- In case of any accident, is the company insured against workers' compensation claims, property damage, or personal liability?

## **Building Practices**

- Who will be assigned as the project manager or lead carpenter?
- Who will be your contact if that person is not available?
- Will a supervisor be on the site full time?
- Will the company provide a written remodeling schedule?
- What's the company's routine regarding regular meetings with the homeowners during the remodeling project?
- Who will attend those meetings? Will the remodeler personally attend every meeting?
- Can I expect to see workers at the site every day?
- Does the remodeler plan to stay personally involved in the project at all points?
- May I have the names and numbers of five homeowners you've completed projects for?
- May I visit a site where work is in progress?

Note: A visit to a site in progress can reveal much about a company's ability to manage a large project. Notice how organized it looks. Is it messy and chaotic or does it seem well-organized with workers moving like they know what they are doing?

This list is not intended to be exhaustive. In fact, it should help you generate other, more personal questions.

As with homeowner interviews, ask any questions you may have. Asking good, detailed questions is the heart of your research. If you don't question thoroughly, you're giving up your responsibility in this process and possibly compromising the quality of your project.

## To Narrow the Field: "Trust But Verify"

You should suggest second meetings with your preferred candidates to discuss your project in greater detail. Second meetings provide an important chance to ask those questions you overlooked in your first meeting, plus the key questions that will enable you to identify the remodeler you'll move forward with.

As you're planning these second meetings, I recommend employing former President Ronald Reagan's philosophy of "trust but verify." Trust the representations your favorites make, but verify them. Your due diligence may protect you from confusing an itinerant contractor with an established professional remodeler.

Follow the steps listed below to objectively verify your candidates' business representations. Among them are several items you should address during your second meetings if you didn't during your first.

- The business should be licensed, bonded, or registered, when the law requires it. Call the building department in your local jurisdiction to find out the exact city, county, and state requirements and verify the appropriate licensing of your candidates.
- Obtain proof of insurance. The remodeler should supply you with a Certificate of Insurance indicating the company has sufficient general liability and workers' compensation insurance. Additionally, the remodeler should have coverage against theft of any materials delivered to the jobsite but not yet installed.
- Confirm the remodeler's business address. He or she may have an office, but remodelers commonly work out of their homes. Ask for a visit just to confirm your candidate isn't working out of the back of a truck. What you're trying to determine is your candidate's permanence.
- Ask if you may run a credit report on your candidates. Honest business-people won't have a problem with your request. (You can actually request credit reports from your local banker or Realtor®. You will need to obtain the remodeler's permission, perhaps in writing, his or her full name, address and social security number to secure a report.)
- Ask the remodeler for a list of the suppliers and trade contractors he or she works with regularly. Contact a sample from this list to confirm the

- remodeler manages his or her business responsibly, paying trade contractors and suppliers on time, and that the business has a good reputation in the building community. This line of inquiry is particularly important because it may prevent you from having a construction lien placed on your property by an unpaid trade contractor or supplier.
- Call the Better Business Bureau and your local consumer affairs office to check the company for consumer complaints. Better Business Bureaus (BBBs) are nonprofit organizations supported primarily by local businesses. They encourage honest advertising and selling practices and keep records of consumer complaints. Check your candidates' records, but remember that just as unreliable remodelers exist, unreasonable homeowners also exist. Even an excellent remodeler can receive a complaint. If a favorite candidate has a complaint, ask for information about its resolution. If the remodeler addressed it quickly and to the client's satisfaction, that action is a sign of professionalism.

City, county, and state consumer protection offices may provide consumers with additional information. Consumer protection offices often receive complaints from dissatisfied homeowners regarding poor construction work. These offices investigate those complaints and if necessary prosecute offenders.

## **Making Your Choice**

After you've held your second meetings and narrowed your candidate list to one name, you are ready to choose your remodeler.

You are ready to move ahead if you're confident your remodeler meets these two principal selection criteria: (a) The remodeler is committed to fulfilling your desires, and (b) the homeowners he or she has worked for in the past testify that he or she provided excellent value and delivered high quality work. Work with this remodeler to create a design and specifications for your project.

A design contract often is the first step because architects, design/build firms, and many remodeling companies charge design fees for the preparation of remodeling documents. For now, that commitment is the limit of your obligation. This step represents a significant commitment for both of you. Until you sign a construction contract with a remodeling company, you have not made a legal construction commitment.

The remodeler doesn't earn his or her money until you sign a contract and the remodeling project starts. Unless he or she continues to effectively cooperate with you on the design, unless he or she provides a contract price that you can afford, and unless he or she provides the peace of mind and security you require, you will not do the remodeling project. You should expect no less from your remodeler.

Your first priority is to create a team with whom you'll build your dream home. If your team isn't working, you'll recognize it early on. The main sign will involve a lack of progress on your design.

From the beginning of the design process a professional remodeler will provide *price checks* and *value engineering* to help you stay within your preliminary design budget. This term means the remodeling team will keep your budget in mind throughout the design process. With the company's extensive experience in remodeling, it can help "engineer" certain features in your home in a cost effective way. Failure to provide these ideas suggests a remodeler may not be interested in keeping you within budget. You should never feel pressure from your remodeler to expand your budget. Rather, the remodeling team should work to keep construction costs down.

Your communication with both remodeler and architect or designer, should be clear and easy, just as it would when you're talking with a good friend. They should also show a general attention and attentiveness to detail. Design revisions should contain the exact changes you asked for, and the revisions should come back to you within a time frame the remodeler agrees to.

You now have all the information you need to choose an excellent remodeler. The process is a simple one. Ask questions. Keep asking questions until you're satisfied you have what you want. The process could take a week or it could take 6 months. Don't rush the process. Make sure you get answers to all your questions. Your decision will then be an easy one.