

How to Avoid the Top 10 Mistakes of Selecting a Remodeling Contractor

Are you considering a major home remodel? It may be an addition to create a needed office space, an in-law Accessory Dwelling Unit for aging in place, a master bathroom re-do, or a dream kitchen renovation. Tread carefully when choosing your contractor, as horror stories abound. You don't want to find yourself starting a project, only to see the builder go AWOL or grabbing the last check without fully completing the work.

Your contractor relationship is almost as intimate as that with your family physician. They will come to know you, your life partner, and other family members very well (such as how you take your morning coffee). A remodeler will be in your private space making dust, noise, and a whole lot of headaches if they aren't a good fit.

This guide is written to help you through the general contractor hiring selection process. What follows are the 10 mistakes people make most often when picking a remodeling contractor. Dodge these errors and you're more likely to find the perfect builder for your project.

Mistake 1: Working from a free estimate

If the contractor is providing you a free estimate, they are *rushing* to give you a cost number they hope you'll like. A proposal that's hurried or not well-developed spells trouble. You may hire them because of a comparatively lower quote, but the result might be less overall quality and service.

For instance, a free estimate often misses details producing unexpected change orders. Accurately estimating costs with subcontractors and suppliers is a critical component to success. Adequately developing the planning portion of a major project can take 20 to 60 plus hours. Cutting cor-

ners around the process by quickly cost guessing is a sure sign you're not getting your money's worth in the long run.

Mistake 2: Picking price over personality fit

How well a contractor works *with* you in your home is a better hiring gauge than their project price. They will be spending a lot of time in your personal space. Projects can take months, and if a personality fit is absent, both parties will be stressed.

Ask yourself: Do you feel comfortable with this person? How well do they communicate? Is their personality relaxed or high strung? Do they talk down to you or brag about their abilities? Would sharing a meal be relaxing or taxing?

A good strategy: While getting to know the prospective contractor, ask for a range of costs up front to see if they can work within your budget range. If they can, then hire them to focus on a project planning effort prior to hiring them for a full scale project. From that result, you'll gain a sense of how the contractor is thinking, and you'll see real costs that will save you money and headaches in the long run. You likely won't get that from having someone provide just a price.

Mistake 3: Getting a bunch of bids

This may sound counterintuitive, but it's an important consideration. A slew of bids is likely to cause confusion and multiple approaches to your project. In a competitive bid process, some contractors play the low pricing game to win you over. Then once the project is started, they may come back with *surprise* change orders to make up margins. Those can include anything they may have known about starting the project, but intentionally didn't mention.

This comes back to contractor personality fit. Are they someone who will work WITH you and address YOUR needs? What signals do you have they'll be honest and ethical?

Mistake 4: Not diligently checking references

You'd think this to be a common practice, but customers often rely only on online reviews. Dig deeper than the Internet before making the remodel financial commitment. Here are three ways to explore the quality and qualifications of a prospective contractor.

1. Call other references: People tend to pass over this task. When you do it, **ask the reference the following key questions:**
 - i. How did the contractor treat you, your family, and home?
 - ii. Did they deliver the project on time? If not, were they clear about schedule changes?
 - iii. Were there any surprise cost overruns that should have been caught in the planning phase? Maybe not enough tile was budgeted or a wall shown on the plan wasn't included in the original cost
 - iv. Would you work with this remodeler again? Why or why not?
2. Call subcontractors and suppliers. Those individuals the remodeler typically works with are

at ground level during projects. **Ask them:**

- i. How does the contractor work them? Are they treated well?
 - ii. Do they get paid in a timely manner?
 - iii. From their observations, how does the contractor handle clients?
3. Check contractor licensing. Investigate your state's licensing body to insure they are currently licensed.

Oregon's CCB is <https://www.ccb.state.or.us/search/>

Mistake 5: Hiring an unlicensed remodeling contractor

It's tempting to hire a less expensive alternative because you feel you're getting a good deal. But is budget cutting with your most important investment a good idea? Be sure your contractor of choice is licensed, bonded, and insured. Unlicensed means they are less than a legitimate business operation, leaving little recourse if things go wrong.

A recently related story about a skylight project gone bad is one example how licensing is useful. The contractor was unlicensed and unqualified. They put holes in an expensive metal roof and ordered the wrong skylights. When they realized their mistake, they left and never came back to correct or finish the work. There was little anyone could do about filing a formal complaint or seeking a remedy with governing bodies. Don't let this happen to you.

Mistake 6: Not asking friends or family for references

A good question to consider is who in your sphere of influence has remodeled recently? Inquiring of friends, family, neighbors, and co-workers is a great first step to locating a contractor. If someone you know and trust has used a builder and has had good results, the chances are you will as well. Also, you'll likely hear about who not to use.

Mistake 7: Rushing into a project without careful planning

If the planning is haphazard, chances increase there will be key (and sometimes HUGE) cost details missing from the original scope of work.

For example, just adding a basement bathroom window above a shower stall can seem simple. However, it's a good idea to check with a structural engineer to make sure your choice of window location can support the opening. If modifications are needed, careful planning changes can be completed prior to window installation. That way surprises, delays, or cost overruns are minimized or eliminated from a straightforward project.

Mistake 8: Letting an architect or interior designer lead project planning

Architects and designers can draw up wonderful plans, but they are not the entity responsible for actually building the end result. You can't isolate the functions of design from practical building knowledge; meaning, a qualified contractor should lead design planning to make sure your vision can be built within budget.

When an architect draws up plans without consulting your contractor, their input on building processes impacting costs are absent. Periodically a building design takes on a life of its own with additional square footage or construction elements tagged on beyond the original scale. Then when the builder applies costs to the expanded plans, budgets escalate.

A qualified contractor should be your first selection on any major remodeling project. He or she will associate the right architect and interior designer for your project while carefully managing the entire design team to deliver the project as you want.

Mistake 9: Picking a contractor who isn't qualified

Just about anyone with a hammer and saw can build something. However, not all contractors are created equal. Picking a good kitchen and bathroom remodeler to do an aging in place project may leave you disappointed.

For instance, aging in place remodeling is very specialized. A simple designation (Certified Aging in Place Specialist, CAPS) can make a big difference in the outcome. Contractors with specific training and capabilities like CAPS know the building necessities to reach success. There's nothing worse than a project being mid-stream when the builder hits a road block and doesn't know how to solve the challenge.

Interview your potential contractor and ask for work examples, qualifications or certifications related to your project. Ask to see or visit in-person a sample of work relating to your endeavor which will give you a first-hand look at the fit and finish of that contractor's work.

Mistake 10: Cutting the last check for a disappearing contractor

Some contractors aren't business savvy. They have a tendency to concentrate solely on cash flow and don't have adequate profit margins. Bouncing job to job, they keep the money coming, but don't totally cover their bills. They concentrate on your project long enough to get the next check.

When the debt catches up to them, they leave projects unfinished with a string of unpaid suppliers and subcontractors bills. Most times you are the party financially responsible to those ancillary vendors.

What can you do to avoid this problem?
Ask contractors the following:

1. What's the warranty on completed work?
2. When's the final project details or punch list completed?

3. How's the final invoice treated?
4. What's the scope of responsibility for fixing after-project adjustments, i.e., cabinet door alignment or faulty plumbing?

If they don't have an answer or give shady responses to those questions, find someone better.

In Conclusion

Remodeling your home requires dozens of decisions. The tile, paint colors, layout, cabinets, walls, electrical, and plumbing are all on the line. The most critical determination you'll make is choosing the right general contractor.

Contractor Selection Checklist

Are they a good personality fit with you, your life partner, and family?

- a. Does your dog like them? Do they like your dog? How do they treat your pet(s)?
- b. What indicates the contractor is on your side and is there to support your dream?
- c. What team members will be working in your home? Do you like them?

Do their references check out?

- a. Conduct at least two past customer interviews.
- b. Conduct at least two subcontractor or supplier interviews.
- c. Are they licensed? Go to your state's licensing body to search for their license. Oregon's CCB licensing website is at <https://www.ccb.state.or.us/search/>

Are they qualified for the scope of work?

- a. Get a good understanding of their construction experience.
- b. Ask to see or visit locations of finished projects.
- c. Have them outline their qualifications and certifications.

What planning services do they offer to ensure your project is successful?

- a. Can they provide you a copy of their professional services agreement?
- b. What's their planning process?
- c. Do they have good architecture and design resources?
- d. Have them explain their fee structure.

How do they manage a project?

- a. Stay on schedule?
- b. Monitor the budget?
- c. Ensure quality control?
- d. Billing and payment terms?
- e. How do they communicate with you during the project?
- f. Who's the key contact person throughout the project?

What is their after-project support?

- a. Warranty?
- b. Punch list procedure?
- c. After-project follow up?
- d. Lien rights release?