How to Make Your Remodeling Project a Success

SOURCES:

SOURCE – SIO (SURETY INFORMATION OFFICE) COPYRIGHT
SOURCE – SMALL BUSINESS ASSOCIATION
SOURCE – HOME TECH
SOURCE – CONSUMER GUIDE TO HOME ENERGY SAVINGS
SOURCE – AMY JOHNSTON, MASTER CONSTRUCTION MANAGER
SOURCE – JEFFREY GITOMER’S SALES CAFFEINE ISSUE 431
The Iowa Contractor Comparison Guide along with the compliance checklist (on page 11) will help you in making an educated decision on your next remodeling project. This will protect you from shoddy work practices, saving you potentially thousands of dollars. Anybody with any amount of previous work experience can label themselves as a ‘Contractor’. It’s difficult for even the most perceptive consumer to tell the difference between a good contractor and a bad one.

Every year, thousands of contractors face bankruptcy and business failure. These firms leave behind unfinished projects and Billions of dollars in losses to project owners. 96% of all contractors fail in 5 years and 50% of them fail in the first year leaving the homeowner without any recourse on warranty and installation issues.

Don’t be a victim!

Homeowners will spend close to $200 Billion in remodeling their homes this year and almost 40% of that money is being re-spent on last years project that failed. Overall, less than 30% of the people will be satisfied with their home improvement project.

It is senseless to invest thousands of dollars in home remodeling projects only to have them installed by amateurs or have the contractor go out of business. No contractor will tell you up front to expect a poor installation. The question is, how do you get the value you are looking for?

Take a few minutes and read over the Iowa Contractor Comparison Guide. These simple steps will save you headaches and money, now and years in the future.

Here is a quick breakdown and explanation of what you should be looking for:
Reputation:

Better Business Bureau Membership:
Homeowners should find out if a contractor is a member of a professional association that has standards or a code of ethics. All BBB Accredited Businesses have agreed to uphold BBB standards for ethics in the marketplace. When a contractor wants to become a member of the BBB there are many standards they must comply with in order to be an accredited member. Some of those standards include, being free from an unsatisfactory report at the BBB in the service area where the company is headquartered, they must promptly respond to all complaints that a customer makes to the BBB, and they must also adhere to BBB standards of advertising and selling. Homeowners can check with the BBB to learn how long a contractor has been in business and whether the firm has been responsive to any complaints filed with the BBB. You can do this by visiting the BBB website at www.bbb.org/us, click on “check out a business or charity”, and then enter the company name and information you are interested in. We advise you not to hire any contractor who is not a member of the BBB.

Registration with local Home Builders Association:
All reputable contractors are members of the local Home Builders Association and adhere to their strict standards in the remodeling industry. If you would like to see the members of the local Home Builders Association please visit their website at www.crhba.org, click on “customer”, and then click on HBA Remodelers.

Save Time with Online Reviews:
Don’t have time to meet with several contractors for quotes? Narrow down your options by checking out local contractors online with a review site like Angie’s List at www.angieslist.com. Angie’s List provides legitimate reviews written by remodeling customers in your local area. There are no anonymous reviews. The site only accepts reviews from members who are real customers. Here, you can be assured that when neighbors and friends share their remodeling experiences, you’re getting the real deal.
Documentation of paid Worker’s Compensation:
All reputable contractors pay Worker’s Compensation insurance. Workers Compensation and employers liability insurance insures against injuries to workers and protects you against workers making claims against your property insurance. Without it, you ARE deemed the statutory employer and could be liable if anyone working on your property is injured. This insurance can make up to 15% of their payroll expenses, so smaller outfits choose to go without.

Customer Satisfaction Surveys:
It’s prudent to check with previous customers about their experience with a company before hiring them. Unfortunately, most contractors will provide a hand-selected list. This hand-selected list does not give a true representation of this company’s full body of work.

Today’s professional remodeling companies hire GuildQuality. GuildQuality is a 3rd party company who interviews customers after their job is completed. The customers complete a 17 question customer feedback survey. All scores and reviews are posted un-edited online for everyone to view. GuildQuality does not allow a company to ‘take down’ a negative review. This ensures you are getting real-time reviews with current products and current installation staff.

We invite you to view all of our survey results at www.guildquality.com/hometownrestyling
Stability

Insurance Certificate – not ‘self-insured’:
Home Town Restyling provides an insurance certificate so that customers know they are protected while we are working on their projects. Be sure to check with all contractors to make sure they have an insurance certificate and the insurance is valid. Always verify the insurance by calling the agency. A copy of an insurance certificate does not let you know if the policy is still current even if the certificate has an expiration date. You cannot tell if either party has canceled the insurance. If for some reason you allow a contractor to work on your home without insurance and a disaster occurs, you are financially liable for anything that may happen on your property.

Lien Waivers:
When final payment is made, it’s in your best interest to get a lien waiver from your contractor. If your contractor does not pay the bills, subcontractors and/or material suppliers have the legal right to put a lien on your home.

Lead Paint Certification:
The lead paint rules established by the EPA are changing which will have significant impacts on contractors. Any projects done on a home built before 1978 will have to be done by a contractor who has been certified in lead paint removal. Contractors must be EPA certified in lead paint removal whether they are a self-employed contractor or an employee of a large remodeling company.
Workmanship:

Detailed Written Proposal:
Most consumers are oblivious to the fact that there are many levels of job proposals which in most cases leads to cost over-runs. Your written proposal should include each of the following: Total number of units, model numbers of product, and will include color, size, location, unique options including grids, types of wood, who is staining, who is responsible for permit, unique installation instructions personalized for your project, bad wood, how unforeseen obstacles will be handled. Will include total cash price, payment terms, insurance coverage, and who files for any rebates or credits.

Workmanship Warranty:
No contractor will admit to sending out an incompetent installation staff. Workmanship warranties are implied, but rarely in writing. Reputable contractors give a workmanship warranty along with a manufactures product warranty. Home Town Restyling offers a 20-year workmanship warranty.

Permit:
Most remodeling projects require a building permit and whoever purchases the permit is responsible for all building code issues. Reputable contractors will include this task in their bids because they stand by their work. However, some contractors will offer the homeowner a discounted price to obtain the building permit so that the contractor is not responsible for that project. Always ask a potential contractor who is responsible for obtaining building permits before entering into any contracts. If your contractor isn’t willing to put their company’s name on their work, you should keep looking until you find one who will.
Right Of Rescission – Separate From Contract: This is a federal law designed to protect homeowners since 1974. It gives homeowners the right to cancel an order and get their deposit back in full to prevent shoddy sales tactics.

Lead Paint Laws Booklet: The (TSCA) Toxic Substance Control Act will require contractors to follow (LSWP) Lead Safe Work Practices on any home built before 1978. Contractors who do not follow these practices open themselves up to significant fines and civil and/or criminal enforcement action.

Physical Place of Business/Showroom: It’s important before you make a buying decision to get the Address and City of your contractor. A lot of contractors will place an ad in the local yellow pages with only a local phone number making the contractor appear to be a local contractor. This phone number is forwarded to their place of business which could be miles away or even states away. If you run into installation problems, service issues, or warranty issues you will want to make sure your contractor is local. If not, your issues could go un-resolved for Months or even Years until they are back in ‘your area’.

Local and or National
**Recognition:** Most experienced and reputable contractors may have received some type of National and/or Regional recognition. Ask to see if your contractor has received any such award recognition. Remember, the warranty is only as strong as the company standing behind it.

*“The most expensive remodeling project is the one you have to do twice.”*  
Wayne. W. Winn  
President/Owner
Website

Market research shows that today’s consumer is looking for ease of doing business with a company, and wants a relationship with that company. He/she is looking for expert advice as well as ideas and answers. He/she wants to know as much about that company’s product as they do, and MORE about the competitor’s product.

How a company prepares for this new consumer will determine their long-term success. Online has officially taken over and is the new showroom. Consumers are looking for streaming video, testimonials, coupons or special offers, tax credit or rebate information, features and benefits on products, just to name a few examples. Companies un-willing to serve their customers online demands are destined to fall short in other areas.
# I.C.C.G. Compliance Checklist

<table>
<thead>
<tr>
<th>Reputation:</th>
<th>Contractor A</th>
<th>Contractor B</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Member of the Better Business Bureau</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>2. Online Reviews</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>3. Registration with Home Builders Association</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>4. Documentation of Paid Worker’s Compensation (on installation staff)</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Stability:</th>
<th>Contractor A</th>
<th>Contractor B</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Insurance Certificate – not ‘Self Insured’</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>2. Lien Waivers</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>3. Lead Paint Certification</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Workmanship:</th>
<th>Contractor A</th>
<th>Contractor B</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Detailed Written Proposal</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>2. Workmanship Warranty in writing</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>3. Permit</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Professionalism:</th>
<th>Contractor A</th>
<th>Contractor B</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. A Clear Written Agenda (What’s next?)</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>2. Right of Rescission</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>3. Lead Paint Laws and Booklet</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>4. Physical Place of Business/Showroom</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>5. Local and/or National Recognition</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>6. Quality Website</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>