



REMODELING GUIDE

BY WAUNAKEE REMODELING

Your Guide to Hiring a Remodeler

A NOTE FROM DAN



Hi there,

First, I want to thank you for reading this guide. As the owner of Waunakee Remodeling, I frequently talk with people like you who are considering a home renovation. One question I often ask is, “How are you choosing which remodeler to work with?”

Many people say they plan to ask for referrals, read reviews, and check references. All of which are excellent places to begin. A few of the most open homeowners say, “Well, I haven’t given it much thought. What should I be asking? What do I need to consider?”

We created this guide to help answer those questions. After all, hiring a remodeler is a big decision. Not only is it a major investment, but you will be working closely with whomever you choose for several months or more. You’re not just choosing a company to do work for you, but you are also inviting them into your home. You are building a relationship that will hopefully last a very long time.

We’ll dive into the details in the following pages, but here are some high-level goals to strive for as you start your search:

1. Be systematic in your approach
2. Don’t hesitate to ask pointed questions
3. Talk everything through before you begin: budget, style, project scope, contract details, etc.
4. Seek out a remodeler who cares about your goals and respects you.

I hope this guide will help you decide which remodeler is right for you.

Dan McGowan

Dan McGowan
Owner



INTRODUCTION

USING THIS GUIDE

Finding the right remodeling professional for your project can be a process that may have some unexpected twists and turns. That said, we tried to lay out a path for you to follow that will help you find a remodeling team that is a great fit for you and your goals.

We recommend reading through the whole guide and then trying to follow the steps one by one. We have included worksheets at the end of the guide that you can use to organize the information you gather. These are just suggestions based on our own experience, so you are welcome to make any modifications to the process we have outlined to make it better fit your personality and goals.

If you think anything is missing from the guide, or if you have other feedback, we would love to hear it. Feel free to call us at 608.849.5515 or visit www.waunakeeremodeling.com

How to use this guide

Our goal at Waunakee Remodeling is to exceed expectations and transform living spaces to reflect our clients' values and meet their needs well into the future. If you are planning a remodel for your home, please contact us to arrange an appointment to meet with us at our design center. This remodeling guide will walk you through the steps to choosing the proper contractor to make sure your vision ends up being the outcome of your remodel.

WHO THIS GUIDE IS FOR

Before you spend your time reading, you probably want to know if this information will be relevant to you. We have tailored this guide around projects that fit these parameters:

SCOPE

Full remodels of one or more rooms rather than cosmetic "face-lifts"

TYPE

Professionally designed and built renovations rather than DIY or "handyman" type project



FIXED BID VERSUS TIME AND MATERIALS

As a homeowner wishing to remodel, you'll be presented with two main types of contracts to choose from: fixed bid and time-and-materials (sometimes called a cost-plus contract). A fixed bid is (or should be) exactly as it sounds, a guaranteed all-in price for the complete project. Under a time-and-materials contract, on the other hand, the contractor will usually provide an estimate, but there is no guarantee the final bill will come out to that amount. The contractor will simply bill you for all the materials that go into your job, plus an hourly rate for the labor, and the contractor's markup.

Each type of contract has its own unique advantages and disadvantages. A time-and-materials arrangement, for instance, shifts the risk of cost over-runs to the homeowner, so, in theory, the contractor could complete the job for less. Cost-plus contractors will point out that they would have to add a certain amount of contingency to their bid to cover potential unforeseen complications.

This is true in theory, but the reality is that time-and-materials contracts tend to encourage less precise estimating. Calculating accurate estimates is time consuming and requires

experience; there is little incentive for the cost-plus contractor to put in this extra effort. There is also no incentive for efficiency. To the contrary, if your project takes longer and costs more, the time-and-materials contractor will benefit.

It can often be more difficult to find a contractor willing to give you a fixed bid. If you have your architect-designed building plans in hand, you can send them out to several general contractors and ask them to calculate a fixed bid to complete the work. In theory, you will receive well-organized bids back that you can compare apples-to-apples. In reality, many general contractors refuse to take part in a competitive bidding process, especially when demand is high. Properly checking prices on materials and getting bids from plumbers, electricians, and other busy subcontractors can take dozens of hours, and this is wasted time for the contractors who do not win the project.

The design-build approach lends itself well to fixed pricing. That is because the building team is involved right from the start of the process, providing accurate estimates, which in turn help guide the design to remain within the homeowners' budget.

AVOIDING THE PITFALL

A common complaint of homeowners wishing to remodel is that the design they commissioned turns out to be un-buildable due to cost. They may have found an architect who understands their desires and has come up with an amazing design, but when they solicit bids, the numbers come back much higher than expected, and they have to go back to the drawing board and scale back their project.

This all-too-common scenario can be mitigated by involving a contractor early in the design process to provide “value engineering” (sometimes for a fee), in the form of recommendations for cost-effective materials and structural systems. The design-build model is another way to avoid ending up with a “pie-in-the-sky” set of plans by considering your budget from the beginning and integrating accurate cost estimation throughout the design process.

Design & Build

If you decide to pursue the design-build approach, one question you can ask is whether the designer who would be assigned to your project works in house or is a subcontractor. Some design-build firms have their own designers on staff, while others hire designers on contract when they need them.



FINANCING AND ALLOWANCES

Homeowners finance remodeling projects in many different ways, from using savings to borrowing from your 401k to bank loans. Home equity loans and lines of credit (HELOCs) are popular, as are remodeling construction loans, which can be based on the future value of the home after the remodel is done. Detailed drawings and specifications will be required.

Homeowners with enough equity can do a “cash-out” refinance of their regular home mortgage and lock in a fixed interest rate. It’s a good idea to talk to your banker or financial advisor about your different options early in the process so you can get your financing in order before you dive into

researching remodelers. You will find that it is useful to know what funds are available to you so you can later make an informed decision about how much to invest in your home.

There are very few bad contractors out there, but there quite a few who aren’t very good at estimating. Some contractors will say they are giving you a fixed bid, but then they will fill it with allowances for major line items, like plumbing and electrical work. If the work ends up costing more than the allowance, the homeowner is on the hook for the overrun. When examining a bid, it’s okay to have allowances for small items, like light fixtures and towel bars, but make sure that the price for all the labor is fixed.



BEGIN YOUR SEARCH

Once you have chosen between design build and the traditional architect + contractor approach, it's time to begin your initial search for local companies. If you're still on the fence between the two approaches, that's okay. You can start noting names of architects and design-build firms.

GO ONLINE

Cast a wide net and start noting names of companies that catch your eye. *Google* is a great place to start. *Houzz* makes it easy to read reviews and check out the portfolios of local building and design professionals. *Review websites* like Angie's List, Yelp, and other online review portals can be useful.

GET RECOMMENDATIONS

Ask friends and family who have recently remodeled and ask for recommendations from your social networks. If you belong to any online bulletin boards through your work, neighborhood, or other social or community groups, consider posting a call for recommendations. Contact the Madison Area Builders Association or Madison Chapter of the National Association of the Remodeling Industry.

Gathering Names

When beginning your search for contractors, online search engines can be the most useful. They will sort contractors by distance and those who have higher ratings are usually at the top of the list. Google, Houzz, Angies List, Yelp and other online review websites can be most helpful when doing research. Write your list of potential contractors down. After you have your list, number each one in the order of interest and who you think would do the best job for your project.

REVIEW EACH CONTRACTOR

Do the remodelers on your list have an established online presence? Is the company's website up to date? Is their company profile completed on Houzz, Google, and on online review sites? Well-established companies will have complete listings and plenty of reviews. Pay special attention to the portfolio of work. While style is often influenced by each client's tastes, you can start to get a feel for a designer's style and level of finish. Look for projects in each remodeler's portfolio that share some elements with the project you have in mind. If you live in a historic home, has the remodeler done work on similar homes?

Narrowing the List

There are many contractors out there but only one will be right for your project. When you begin narrowing down your list of potential contractors, make sure to start by crossing off those that have a lot of negative reviews, those that don't have a lot of information or content that is out of date.

CHECK REVIEWS

Checking reviews online will let you see other people opinions of those contractors you're reviewing. While doing a simple search of the contractors name will bring up an assortment of reviews, a few other places you can look are on the remodeler's website, on Houzz, and, to a lesser extent, on Facebook and other social media. Make sure you check with your local Better Business Bureau and consumer protection agency.



REACHING OUT

After reviewing each contractor's website, you should reach out to your short list of remodelers and narrow down your list. After you have narrowed down your list, you're ready to start contacting remodeling professionals via phone or online.

THE INTERVIEW PROCESS

- Pay close attention to how long it takes for each remodeler to get back to you. Do they have staff to respond quickly to inquiries?
- If any of the remodelers you reach out to don't get back to you promptly, consider going down your list and contacting others.
- Most remodelers will schedule an initial appointment with you, either a phone or in-person meeting. They will likely want to learn about you and your project, including the scope of your project, your schedule, and your budget.
- At this point, create a document on your computer or a section in a notebook to keep notes on each remodeler you talk to. If you speak with more than two or three, it will become difficult to remember who said and did what, and good notes will help you tremendously as you make your final choice.
- After your initial rounds of meetings, you will start to get a sense of your comfort level with each company. Make notes about how well the professionals you speak with communicate, if you have a good rapport, and what your level of confidence is in their technical expertise.
- If you start with a phone conversation and have a positive experience, be sure to schedule an in-person meeting. Face-to-face conversations can tell you a lot about a contractor or company.

WHAT TO ASK

Homeowners finance remodeling projects in many different ways. In most cases, remodelers and architects you meet with will be able to tell you about their approach and guide you through the questions that will help them understand your project. However, these meetings are also your chance to learn about the companies you are interviewing. Don't hesitate to ask questions, and try your best to ask the same questions of all the professionals you speak with. To help you, we've prepared two worksheets: a list of sample questions you can ask during your meetings and an evaluation sheet you can use to track your impressions. Print and fill out a copy for each remodeling professional you meet.

STEP FOUR





VERIFYING THE PROFESSIONALS

After meeting with a few remodeling professionals, taking careful notes, and checking reviews, you are almost ready to decide. By this stage, you should have a good sense of the strengths and weaknesses of each remodeler on your short-list. Before you jump in and sign a contract, it's a good idea to make sure you have verified a few things.

1. Is the company licensed, bonded, and insured? Check with your local licensing authority. In Washington State, the Department of Labor & Industries has a free "Verify a Contractor" tool. You will be able to search by company name or license number.

2. Verify an architect's license by checking your local licensing

department. For non-architect designers, licensing requirements vary by region, but in most cases they will not need a license.

3. You can ask to see a contractor's insurance certificate and call the insurance provider to make sure it is still active. Make sure it covers the type of work you are hiring the contractor to perform.

4. Ask for references and contact these past clients to find out what their experience was with the remodeler. Ask how the remodeler handled problems that arose, how courteous the team was, and how accurate the remodeler's estimates were. Ask if the past client refers others to the remodeler.

5. Ask to tour a project similar to yours that is under construction.



PROCESS COMPLETE

PROCESS IS SUCCESSFUL

Congratulations! You've taken the time to do your due diligence, and you've chosen the right team to complete your remodel. You've asked lots of questions, checked references, and kept your information organized. You can be confident in your choice and schedule a meeting to sign a contract and begin the process of working with your architect or design-build firm to create the perfect space. Don't forget to contact the other remodeling professionals you met with to let them know you have chosen a different firm.

CONTRACTS

If you have chosen an architect, you will likely first sign a letter of engagement to get started and then a more comprehensive owner-architect contract later. If you choose a design-build firm, you will likely start by signing a design agreement, followed by a construction agreement when you approve the design. In both cases, you will likely be asked to put down a small retainer or deposit before work begins, and then you will make regular payments when certain milestones are reached, according to the terms of your contract. If you go the architect + contractor route, you will need to sign a separate contract with the general contractor you choose, and this will have its own terms and payment schedule. Make sure you read these contracts over carefully and ask question about any sections that are not clear.

Dreams to Reality

At Waunakee Remodeling we are passionate about turning dreams into reality. We help people transform their lives by transforming their living spaces. As a tight-knit group of innovative designers, seasoned project managers, and master carpenters, we strive to make the entire remodeling process as fun and stress free as possible for our clients. Our goal is to achieve transformative results through conscious, collaborative design and construction that balances form with function, creativity with context, scope with budget, and style with sustainability.

**WAUNAKEE
REMODELING, INC.**

COMPANY NAME: _____

GENERAL

How long have you been in business?

Do you have an established presence in the community and the design build field?

What professional and trade associations are you members of?

How long have you worked with your key subcontractors?

What is the management structure of your company?

How often will I meet with the principal? How often will he or she check in on my job?

How is communication handled during design and construction?

What level of tidiness do you maintain?

What kind of documentation will you provide when the project is done?

DESIGN

Do you have your own in-house design team?

Do you use 3D technology for the design so I can visualize my project?

What will be required of me during the design phase?

SCHEDULING

Are your projects finished on time? On average how late?

How many projects will you be working on at the same time as mine?

What is your schedule looking like? How long before you can begin designing and building my project?

How do you handle changes to the schedule?

How detailed are your project schedules?

CONTRACT AND FINANCIAL

How much do you estimate my project will cost?

What is your design process?

Do you offer fixed-bid contracts or time and materials?

Will your bid be an estimate or fixed price?

How are changes handled after the construction agreement is signed?

What are your payment terms?

Do you offer a warranty? What are the terms?

CONTRACT AND FINANCIAL, CONT.

How do we resolve disagreements?

How accurate are your estimates relative to the final construction contract?

Is there anything about my project that raises any red flags or that you think may trigger a change order?

LOGISTICS

Will you obtain the permits and set up the inspections for this job?

Will I have a consistent team working on my project each day?

Who will be my primary point of contact? What's the best way to reach that person?

How will you protect the parts of my home that are not being remodeled from dust and damage?

Do I need to remove items? Can I stay in my home during the remodel?

What will the noise level be during the project?

How do you handle punch lists?

How many projects do you work on at once?



WORKSHEET

VERIFICATION

Can you provide references?

Can I visit a job-site? (Pay special attention to how clean and safe the builder's job-sites are, and how courteous team members are.
Try to meet and talk to the homeowner.)

Can I see your business and contractor licenses and certificate of insurance?

ADDITIONAL NOTES



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