

# How To Select A Reputable Builder or Remodeler

Congratulations...You're deciding to proceed with your remodeling, renovation, or building plan. If you do your homework before the first hammer blow, you can avoid many of the potential pitfalls and stresses.

The first step homebuyers should take in their search for a new home or remodeling job that provides lasting satisfaction is to select a professional builder or remodeler who is known for quality construction and strong customer service.

Most homebuilders construct fewer than ten homes per year and remodelers, too, as small local business persons, rely heavily on referrals from previous customers to generate new business. As such, a home building or remodeling company is only as good as its reputation. Most companies are in business to stay and they can only do so to the extent that they have satisfied customers. In fact, many builders and remodelers live in the communities they build.

## Steps in Selecting a Reputable Builder or Remodeler

Homebuyers and home owners should begin their search by discovering who is building in the area where they live or want to live. Below are several sources you might find helpful:

Talk to friends, relatives and colleagues at work who have recently purchased a new home or had one built or remodeled.

Local chapters of the National Association of Home Builders, which represents both home builders and remodelers, can provide names of companies who are members

Area real estate agents who are knowledgeable about and familiar with new home construction, can offer builders' names and insights into quality and customer satisfaction.

To narrow their prospective list of builders or remodelers, in Connecticut all homebuilders must be registered with the Department of Consumer Protection ("DCP") as New Home Construction Contractors ("NHCC"). All residential remodelers must be registered with the same state agency as Home Improvement Contractors ("HIC"). It is very important that consumers check with DCP to make sure the home builder's or remodeler's registration is current and applicable to the job to be undertaken, recognizing that some contractors are registered under both the NHCC and HIC programs. The general licensing number at DCP to call to check on registration status is 1-860-713-6000 (in the Hartford area) or 1-800-842-2649.

To further narrow the prospective list of builders or remodelers, buyers should look closely at each builder's or remodeler's finished work and work in progress, including models, occupied homes (if interested in a custom-built home) and homes under construction.

Meet with the builder, remodeler or the person who would be in charge of building your home to learn more about the company and the homes or projects they build. Are your questions answered clearly and completely? Remember that your relationship with the builder or remodeler will continue through the warranty period, so choose someone with whom you will be comfortable for the long term.

As part of the interview process, review the contract, warranty and warranty standards that the builder or remodeler provides. Note the amount of detail provided. The same attention to detail usually flows through the construction of the home or project. Don't hesitate to ask questions about any items that you don't understand.

Many builders today provide a homeowner manual that guides buyers through the homebuilding and purchase process. Many remodelers provide consumer guides that are applicable to their line of work or the project to be undertaken (e.g., understanding design/build contracts). These types of manuals or brochures can familiarize you with the procedures the builder or remodeler follows in working with his/her clients and is often an indication of the contractor's commitment to customer satisfaction.

To determine how a company treats its customers, it is important for prospective homebuyers or homeowners to talk to previous buyers of the builders' homes or remodelers' clients. Visit new home communities on weekends when people are more likely to be outside and ask several different people how the company was to work with and how satisfied they are with their home. Ask for reference lists as well and follow through by calling or visiting the references.

## **A Well-Written Contract**

Disputes between parties often involve good faith issues that their contracts do not adequately address, either because the parties did not consider these issues or because they failed to write them in the contract.

A well-written contract is a critical tool for reducing liability. It should: 1) be a product of the parties' negotiations, 2) describes in detail the rights and obligations of the parties, 3) fairly allocates the risks inherent in the project.

Such a contract provides the parties with a mutual understanding of contract terms and conditions, thereby improving the chances that each party's expectations will be met.

A well-written contract helps prevent disputes from arising during construction because the parties have settled potentially troublesome matters such as the scope of work, the materials to be used, and the time and method of payment before the project begins.

Although a well-written contract requires communication between the parties, it is no substitute for ongoing communication between the buyer and builder or remodeler during the project. Inevitably, during construction, changes may be desired by the purchaser or even suggested by the contractor. All changes should be fully understood by both parties, reduced to writing and made a part of the contract. Consumers should understand, however, that changes may result in added costs or time or both to the construction process. This is another reason to select a builder or remodeler from the start with whom you can communicate effectively and with whom you are comfortable.

## **Express Warranty**

Many builders also include a limited warranty in their contract. Such a warranty can also help prevent disputes after construction is completed.

The warranty, like the contract, should clearly express the intent of the parties. The limited warranty describes the problems and remedies for which the builder or remodeler will be responsible after completion of the project and the duration of the warranty. It also defines the mechanism for addressing disputes.

If a builder or remodeler warrants workmanship and materials in a warranty, the warranty should also provide some guidelines or standards against which to judge the contractor's compliance. One of the best sources of such guidelines is "Residential Construction Performance Guidelines for Professional Builders and Remodelers." (Available from [www.BuilderBooks.com](http://www.BuilderBooks.com)).

In summary, like when making most purchases of products or services, consumers need to undertake a sufficient level of due diligence when selecting a homebuilder or remodeler. Obtain personal references of several contractors, make sure they are properly registered with the Connecticut Department of Consumer Protection, check their prior and ongoing work and talk with past customers, make sure you have a well-written contract and well-written change orders executed during construction, fully understand the contract, change orders and any warranties that are provided and make sure that communication with your builder or remodeler is professional and comfortable.

Then, sit back and enjoy your new home - whether newly constructed or newly remodeled.