# WHAT YOU NEED TO KNOW to Choose the BEST Contractor for Your Renovation Project





# Find Out How To Get Everything You Want

In Your Renovation Project Without The Unnecessary Stress Caused By Most Contractors

By Mike Mayhew

Free Advice From Friends And Relatives 1s Often The Worst Kind of Advice You Can Get...

When You've Got questions, Get Answers From The Pro's!



Dear Home Owner,

Thank you for requesting our report.

We understand that choosing the best contractor for your project may not be an easy decision to make. The industry has been undermined by unprofessional companies that demonstrate poor workmanship,

bad estimates, late completions and even unfinished jobs.

We want to help you better understand all of the common advice given to consumers and then share all of the other elements that will help ensure a successful project.

Whether you choose Beach House Miracles or another contractor, we encourage you to be proactive, do your homework, and take these factors into consideration.

- How do you know if the company you are talking to will complete the project as described?
- What questions do you ask when checking credentials and references?
- Why are estimates so different from company to company?
- How can you compare "apples to apples"?

To help you in the process of choosing a professional contractor, I would like to offer some helpful advice.

Mike Mayhew

Mike Mayhew Owner of Beach House Miracles aka The Renovation Answer Man

### What you Need to Know to Choose the Best Contractor for your Renovation Project

- Licensed, Bonded and Insured
- 2 A Note about Insurance
- 3 Get Several Bids So You Can Compare Price
- 4 Does your project require a permit?
- **4** The Estimate
- **5** Reputation
- **6** Warranty
- **b** Communication with the Homeowner

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#### Licensed, Bonded, and Insured

#### The advice given most often to consumers is, "Make sure your contractor is licensed, bonded, and insured." In short, if there are bonding or insurance requirements, these need to be fulfilled in order to get licensed. So, the real question should be, "Are you a licensed contractor?"

In order to obtain a contractors license in Maryland, an individual must:

- 1) Meet the experience requirement for each classification
- 2) Have an owner or qualifying party pass a written exam
- If a contractor represents a corporation, articles of incorporation and a certificate of good standing from the Department of Assessments and Taxation must be submitted

Ave you a licensed contractor?

- 4) Provide proof of current \$50,000 liability insurance must be filed with the application for licensure;
- 5) Pay a license fee which includes a fee to the Contractors' Recovery Fund.

Link to the MHIC—http://www.dllr.state.md.us/license/mhic/

Delaware, on the other hand, requires a state business license and a local license for each jurisdiction. For instance, there is a license for the town of Bethany Beach, a different license for Ocean View, and another for Fenwick Island. There is no "Home Improvement" license in Delaware so if the contractor is not licensed in another state, you may have to rely on references from former clients and other local professionals.

Using an unlicensed contractor to save money is never a good idea. The potential for unnecessary stress and liability for you, the owner, is never worth it.

#### A Note About Insurance

#### When a contractor says they're insured, it means they are covered for liability purposes.

In other words, if they damage your home by fire, breaking a water pipe or even hitting under ground lines; they are insured for the damage they caused. If you or someone else is injured due to negligence by the contractor, the contractor's liability coverage will cover the cost. There are usually state mandated minimums of insurance required.



"Insured" - What does that mean to you?

Depending on the state, insurance limits can be minimal and might not cover the cost of the damage.

#### What if they just do a bad job?

Liability insurance does not cover a bad job. Often, the only recourse the owner has is to take the contractor to court. Going to court can be costly and does not always get you the results you are looking for.

It is always best to choose a contractor with years of experience successfully satisfying their clients. Ask to see their work, speak to their clients and look to other professionals in the area for information about their reputation. Check with the Better Business Bureau and the Chamber of Commerce. You should feel absolutely comfortable in the competence of the contractor you choose.

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#### **Get Several Bids So You Can Compare Price**

#### Contractors all understand how important price is to your decision

**making.** It is important you understand the pitfall of only considering price when there are so many other factors that affect your decision. In order for you to be able to compare price, all the bids have to be for the same project, the same products, the same specifications, and the same quality of work.

Rarely does a home owner provide an invited bidder with plans and a specific set of bid documents. Instead, they meet with potential contractors one at a time so the other bidders don't know who else is bidding. What they get is a proposal that is each contractor's interpretation of what the owner explained and it is often impossible to compare the bids as the same. Another piece of advice often given to consumers is about price

Most contractors will try very hard to give you what you want at the price you want to pay. They will even find cheap products and inexpensive subcontractors to help you meet your budget. Remember that the bid is only the starting point in your negotiations with the contractor and not necessarily the bottom line.

# Keep in mind that the lowest bid may not necessarily be the best bid, and that an unusually low bid may be cause for alarm.

In this case, the contractor may not fully understand the scope of work; may be inexperienced and is underestimating the amount of labor and materials required: or may be planning to cut corners by using inferior materials, low-paid, inexperienced workers, or not following local building codes. You could end up paying to repair or replace work much sooner than if your project was done right the first time with qualified workers and quality materials.

The bitterness of poor quality and service remains long after the sweetness of the low price is forgotten!

3

#### **Does Your Project Require a Permit?**



A permit is a great protection for the owner Not all home improvement projects require a permit. However, many do and whenever there is mechanical, electrical, plumbing or structural work being done a permit is great protection for the owner.

Some less than reputable contractors offer "time delay" as an excuse not to get permits and inspections but this is usually far from the truth.

Inspections give the owner an independent person to look at the work being done and enforce codes for the local

jurisdictions. This is for your safety. Although nationally, most code enforcement follow the International Building Code (IBC), local codes vary in every city and town.

### Without a permit, there is no inspection.

#### The Estimate



A good contractor will not put a dollar amount on the back of a business card and hand it to you.

## A contractor should prepare a complete proposal that refers to the scope of work.

It should be broken down in different areas with the price clearly spelled out and with specific brands and models spelled out.

Beware of contractors who refuse to give a written estimate or contract.

#### The Estimate

A good contractor should help you establish a budget that you are comfortable with. The best contractor will listen to you and be respectful of your budget. They should share design ideas with you about your project and help you understand how your decisions and different materials affect the cost.

Finally BEWARE of contractors who refuse to give a written estimate or contract.

### Verbal statements never hold up in court.

#### Reputation



# A good contractor is very willing to share his reputation with his future clients.

A reputation is something that sticks with a contractor for years. It takes years of reliable work, many satisfied customers, and enduring relationships with suppliers to build up a good reputation.

The best contractor has many references, has testimonials from past customers who had projects like yours, and

exhibits a history of pleasing his customers and completing jobs in a satisfactory manner. A printed list of references should always be available upon request and to achieve this, we have asked many of our clients in advance if they are willing to be contacted.

Additionally, the list should include other local professionals such as realtors and property managers whose own reputation is on the line with a reference. Our reference list consists of the client's first name and an email address to protect the client's privacy. Our professional references provide more information. A contractor's reputation is one of his or her most valuable assets

#### Warranty



Most reputable contractors offer a standard three year warranty on their labor and a minimal manufacturers warranty if any on materials.

You can test a contractors resolve to provide quality work that will last by their willingness to warrant the materials and labor.

Generally, the longer the warranty the better the quality and the more attention the contractor will place on doing the work right.

A good contractor will also provide their warranty in writing. A sample of our three year warranty is always available prior to a written construction agreement.

### A good contractor will provide their warranty in writing.

#### **Communication with the Homeowner**



If you've not sure, ASK!

# The success of a project can hinge on the communication skills of all the people involved in the project.

The good contractor understands the value and importance of clear communication. They should value your questions and practice clear communication. Furthermore, the good contractor makes sure there are

no misunderstandings and asks for feedback on a regular basis.

Since most of our beach projects are second homes or investment properties, most of our clients don't live in the home. This presents a unique challenge in communication. Good contractors constantly seek to keep the client informed of the progress and you should expect reports along with progress pictures of your project.

Whenever there is a question, you should feel comfortable asking your contractor and visiting the site at your convenience to discuss your thoughts and dreams. There is no such thing as a bad question. If you're not sure, ASK!

#### Hello, I'm Mike Mayhew, aka the Renovation Answer Man and owner of Beach House Miracles.

I was introduced to Sea Colony when some of my family members purchased an ocean front unit and it was in desperate need of renovation. My brother Pat was telling the realtor about the massive renovation he had planned when they politely said, "You know you can't work in the unit after Memorial Day.....that only gives you about 30 days". Pat quickly said, "that's okay, we'll be done."

They laughed when we said we would be done in 30 days

They all laughed and said, "Sorry but, things don't move that fast here". That's when Pat called me and I agreed we could get it done on time. We spent Memorial Day weekend enjoying the beach in the newly renovated condo.

#### **Beach House Miracles was started in response to the realtors saying getting anything at the beach done on time was a MIRACLE!** I don't want to elevate our company to the status of a miracle but, I will say our systems produce some amazing results.

That was in 2003 and we have been producing the same amazing results every year since. The fact is, there is no substitute for experience and after more than 30 years in the renovation business, we've seen almost everything. The physical renovation work is the easy part; the **Experience** is what keeps our clients asking us back and referring us their friends and family.

We approach all of our clients with the following goals:



*First, our goal is to provide all of our clients with a world class experience.* When all the work is done, we want to hear our clients simply say WOW!

*Our second goal is to be the least burden to our clients as possible.* We understand you can't make money or do what you want to do if you have to constantly watch us.

When you work with us, you will not need to be on site and involved in the project as much as you are probably used to. On many of our projects, the client, (in this case you) is not even in the same state.

We emphasize continuous communication through use of simple technologies on the internet and all of our clients get cell phone access to their assigned project manager. Our clients are able to focus on the things that they want; because they are confident we are taking care of them and doing everything we said we would.

We have never missed a deadline and we do everything we say we will do because integrity is critically important to us.

It is always a Win for Us and our Client because we want it that way.

I guarantee you will like doing business with Beach House Miracles because we are unlike most other companies you have ever tried to work with! *For us, your Experience is Everything* 

I look forward to personally meeting you soon!

mike