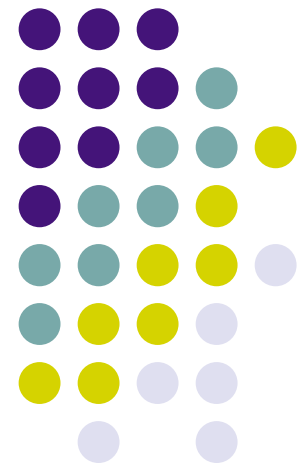
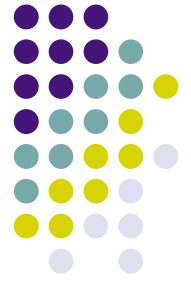


# Hiring a Contractor 101

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Synergy Design & Construction, Inc.  
[www.SynergyDandC.com](http://www.SynergyDandC.com)





# How would you start?

- Ask people you know who have done remodeling projects (colleagues and neighbors)
  - Would they rehire their contractor?
- Go to NARI
- Depending on size, hire a design firm

# Ask Friends & Family?



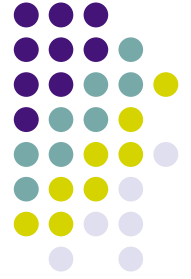
- Absolutely – just make sure you ask the right questions:
  1. What did they like most/least
  2. Completed on time and within budget
  3. Did they drive change order or did contractor
  4. Would they rehire? If not, why?
  5. What would they have done differently?

# Asking for Referrals



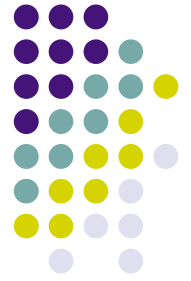
1. What did they like most / least about their experience?
2. Was the project completed on time and within budget?
3. Did **they** drive the change orders or did the contractor?
4. Would they rehire their contractor? If not, why?
5. What would they have done differently?

# GC or Project Specific



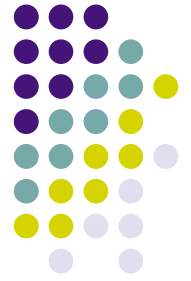
- GC when project involves multiple trades:
  1. They have their own subs
  2. Project schedule is run by GC - (on time and within budget)
  3. Single point of contact
- Being your own GC isn't all it's cracked up to be (twice as long and more costly because of mistakes and ordering)
- If you've done remodeling before and feel comfortable hire a specific contractor for flooring, tile backsplash or small bath

# How many bids? Accurate?



- We usually recommend 3 bids
- Challenge is consistency:
  1. Same design?
  2. Same level of finish (carpet, tile, fixtures)?
  3. Similar licenses, area of expertise, reputation & warranties?
- Caution: 2 reasons bids can be low:
  1. Intentional – make it up in change orders
  2. Inexperience – leaves out critical parts
- Best way to ensure is to make sure details are included

# Do your own research?



- You are your own best advocate
- A lot to take in, plan to invest good deal of time
  - Researching
  - Meeting w/contractors
  - Comparing bids



# How would you research?

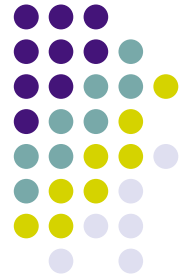
- If you don't use design firm up front:
  - Choose your level of finish
  - \$8 sq yd carpet
  - \$5 sq ft tile
  - Appliance allowance
- More specific you are, more likely to compare apples-to-apples

# Reference Past Year Red Flag?



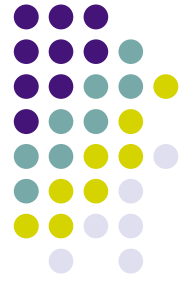
- Potentially, but not necessarily
- References need to be from similar size or larger project
- How many?
  - Minimum of 3, ask for more

# References from 5 / 10 yrs ago



- How long they've known the contractor
- What projects the contractor competed for them
- Would they still recommend them?

# Risky if not in business long?



- Yes, but not a deal breaker
- Expert tradesmen break-off from bigger companies
  - Should have at least 4-5 character refs
  - Ask for previous employer refs
  - Doesn't guarantee craftsmanship, maybe start small
- Trust is most important – up front?



# Current or Valid License

- Virginia DPOR (Dept. of Prof & Occ Regulation)
- Search by name, zip or license number – reveals:
  - Lic number
  - Certification dates
  - Class of license
  - Previous or existing complaints filed w/state
- Municipality Bus License (Bus/Prof/Occ/Lic (BPOL))
  - Have one
  - Get one by contract

# Insurance



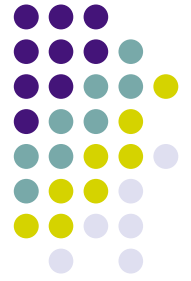
- Contractor needs liability and workman's comp
- Subs need insurance as well
- Builders' Risk

# Contracts



- VA law requires a written contract
  - Business and license info
  - Total cost of project
  - Down payment and schedule of payments
  - Beginning and estimated end dates
  - Contract termination rights by both parties
- Place details in contract
- Clear communication from start

# Project Progress



- Over 2 weeks = Production Schedule
- Regular updates / revisions
- Good communication key
  - Ask questions
  - Unknown circumstances (drywall/flooring)
  - Address quickly

# Timeframe Over Runs / Recourse



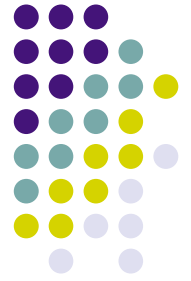
- Two reasons:
- Change orders
  - Cost more and delays completion
  - Production is time to focus on family
  - Make sure design is complete (delay)
- Lack of Production Schedule
- Recourse: File a complaint with the state
- Refer to contract



# Up-Front Money

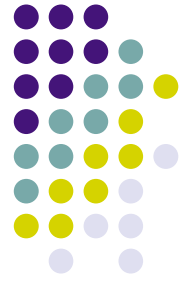
- Typically 30-50%
- Varies by state
  - VA – 50%
  - MD – 33% (1/3)
- No money prior to contract
- Never pay cash

# Licensed and Permits = Quality



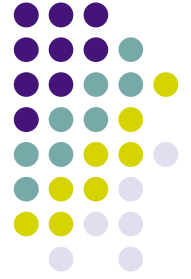
- Code is bare minimum
- License is no indication of quality (or subs quality)
- Doesn't mean on time, on budget
- Allow time for design & prelim work (before bid)
- Find your partner (communication)
- Trust your gut

# Resources



- [www.dpor.virginia.gov/regulantlookup/](http://www.dpor.virginia.gov/regulantlookup/)  
(or Google “Virginia Contractor”)
- [www.nari.org](http://www.nari.org)  
(National Association of the Remodeling Industry)
- [www.nahb.org](http://www.nahb.org)  
(National Association of Home Builders)
- [www.remodelingmag.com](http://www.remodelingmag.com)  
(Remodeling Magazine’s “Cost vs. Value” report)

# About Synergy D&C



About Synergy Design & Construction, Inc.: Synergy D&C, a woman-owned business based in Reston, Virginia. Synergy D&C provides value to its clients by addressing everything that was mentioned in this presentation: designing projects, selecting all finishes, bidding projects to multiple, reputable contractors, and working as an advocate on behalf of homeowners during construction. Prior to creating

Mina Fies, the founder and CEO, spent several years as a Sales and Design Consultant for two design firms in Virginia, where she was responsible for sales, marketing, vendor relationships, design consultation, and client satisfaction.

Michelle Cini, Senior Designer, has over 6 years of interior design, project management, and construction oversight experience. Michelle graduated from the University of Tennessee with a Bachelor of Science degree in Interior Design.

Mark Fies, CFO, has managed the operations of six multimillion-dollar facilities for two Fortune 500 companies, five of which were new store openings in emerging markets.