



At Your Service

Choosing the Best Home Service Pros

A Great Time to Renovate

Have you noticed your neighbors adding pools, outdoor entertainment areas and extra square footage? If so, you're not alone.

Harvard's Joint Center for Housing Studies estimates that Americans' total spend on home remodeling projects will rise from \$332 billion in the third quarter of 2020 to \$337 billion in the second half of 2021.

Check out these statistics from a 2020 CNBC report:

- Houzz, an online home remodeling platform, reported a 58% annual increase in project leads for home professionals in June.

- Poolcorp, an international distributor of swimming pool supplies, parts and outdoor living products, saw a 54% increase in the summer of 2020.

- Kitchen and bath remodels jumped 40% in June 2020 compared to June 2019.

- Home extensions and additions jumped 52% in 2020.

- Security and privacy also saw much greater demand with interest in fence installation and repairs up 166%.

Stimulus payments are driving many of these decisions to renovate, as is the increased equity in homes. Home prices continue to gain, despite the economic downturn, as



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demand for housing is hitting new levels.

WHY NOW?

Even as vaccinations continue to roll out and travel is experiencing an uptick, it's not too late to take advantage of some of the incentives related to renovating your space.

In fact, you may have saved some money by waiting for lumber and materials production to return back to normal after many industries related to the construction industry

saw major shortages during the pandemic's earliest days.

This could be a good time to take advantage of lower costs while also being able to add value back into your home, should you ultimately decide to sell.

WHAT TO RENOVATE

Outside of the traditional bathroom and kitchen remodels, many Americans are feeling the need for extra square footage. More parents are working from home than ever

before. More kids are working on school projects remotely. And while that may change as we return to some sort of normalcy, there is good reason to believe that more space will remain a top need for families moving forward.

Finishing a basement could be a great answer to a space shortage in your home. This project will run you \$18,400 on average, but can cost up to \$34,000, depending on your square footage. The project involves installing drywall,

flooring, and paint but can recoup up to 70% of the cost, according to HomeAdvisor.

Another way to increase the value of your home is to focus on the outside. Consider hiring a company to handle the maintenance of your exterior. To mow the lawn, prune shrubs, apply mulch and plant about 60 perennials or annuals over about 2,800 square feet costs about \$3,000 but can net a 100% return on investment, according to the National Association of Realtors.

How to Start a Project Right

There are many important things to consider when looking to improve your home. Many questions may be rolling around in your head as you consider taking on a home renovation project.

Some of these questions may be related to cost. Others may be focused on quality and return on your investment.

According to the National Association of the Remodeling Industry, you need to have a good idea of what you're looking for, how much you have to spend and what kind of timeline you're considering. The beginning of a project is the most critical component to make sure you're clear on.

The good news? A helpful local home services professional is right around the corner ready to help turn your plan into a reality.

WHAT'S YOUR GOAL?

Are you adding an extra bedroom this summer? Building a barn? Laying down a new hardwood floor?

No matter what type of project you're starting, it's critical that you build a plan and stick with it.

One of the easiest ways to break your budget is to add smaller projects on top of your original one. By adding more work, you're adding to the cost of materials and labor if you're using a home services professional.

Work with your contractors to set realistic expectations before breaking ground on your project. This will help you earmark a specific amount to keep any extra spending to a minimum. It will also help keep you and your contractors on the same page from a timing standpoint.

MAKING BIG CHANGES?

Revamping your home's structure in any substantial way requires more design and engineering work. This means it will likely cost more money and take more time, according to NARI. Before committing to a major project that will alter the structure of your home, ask yourself the following questions:

- Can I afford such a large project?
- How old is my home?
- Will the changes add to the overall value of the home?
- Do I have the right contractors picked out for the multiple phases of the project?

Once you understand what type of cost, contractors and timeline you're looking at, you can feel more confident in moving forward with your project.



Finding a Local Contractor

Once you know the scope of your project, it's time to find the person who can make your dreams come true. A quality professional contractor can build, renovate or add to your properties.

Finding the right contractor can be an overwhelming task. There are the contracts, the timelines and all of the decisions that go along with taking on a home project.

Read on for some tips designed to help you find a great local contractor.

DETERMINE YOUR PROJECT

Contractors can specialize, while handymen and women may be focused on smaller projects. The size and scope of your project will determine what type of professional you need to hire for the job.

According to the Federal Trade Commission, general contractors manage all aspects of a project, including obtaining building permits, scheduling inspections, the actual work and hiring, and overseeing and paying subcontractors. Specialty contractors perform particular services, such as electricians, plumbers, carpenters or roofers. Architects design homes' additions or major renovations, but don't do



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the building work. And design contractors can create the plans and oversee all of the construction work.

Understand your goals before finalizing who is going to do the work for you.

ASK AROUND

Check with friends and neighbors to see who they have

used and would recommend for your project. Ask your prospective contractors for photos or videos of their work. Any good contractor should be able to back up their work with quality testimonials and customer success stories. Check websites and review social media profiles to make sure you get a good sense of the

contractor's abilities and past work. If your state requires contractors to be licensed, ensure the contractor's license is current.

GET SEVERAL QUOTES

Cost is important to any project but it shouldn't be your only defining factor. Low bids are great, but an estimate that

comes in substantially lower than others should be looked at closely. Why the variance? Will the materials come be high quality? Is professional able to give you an itemized list of how their bid breaks down?

These are the types of things to consider when hiring anyone for a job around your home.



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Questions to Ask

If this is your first home improvement project for which you are hiring outside help, there are many questions you should be prepared to ask.

Any time you plan to bring someone into your home, you should do your research beforehand to ensure a successful project.

Depending on the size of the project, experts recommend you securing at least three quotes from prospective home services professionals before moving forward. This may not be realistic, especially if you're facing

some sort of plumbing or electrical issue that requires quick, emergency service.

Here are some questions you should ask any contractor before they start, according to the Federal Trade Commission.

What similar projects have you completed recently?

You want to make sure you hire a contractor with experience that relates to what you need. For example, you wouldn't hire a local plumber to install a pool, even if he or she tells you they could probably handle it.

Be smart about who you are sourcing for your project and look for ways to ensure a warranty with their services.

Can you share references?

Get names, addresses and phone numbers for recent customers served by the contractor. Be ready to ask these customers about their costs, timeline and overall satisfaction of the job completed.

What permits will be needed?

Any good local contractor will be familiar with the permitting process and laws in your community. Subcontractors may need permits and licenses as well, so do your research ahead of time to see if your state requires them.

What insurance coverage do you have?

Ask for copies of insurance certifi-

cates. According to the FTC, contractors should have personal liability, worker's compensation and property damage coverage.

If not, you could be liable for injuries and damages that happen during the project.

What is the timeline for completion?

It's best to set realistic expectations from the beginning when it comes to a target completion date. Leaving this open ended can lead to frustration and confusion once the project gets under way. Be open with your home services professional and ask for continuous updates.

This will help keep the project on track and on time.

How to Review a Contract

When you've found a contractor you like, the next step is to enter into a formal agreement. This contract will spell out what exactly is required of the contractor, as well as payment schedules and other details critical to the project.

The key to a great home improvement contract is both sides being crystal clear on the contents.

Once there is a mutual understanding and acceptance, it's time to start the work.

WHAT'S IN A CONTRACT?

The home services website Angie's List recommends these 10 items to be included in any home improvement agreement you enter into:

1. Job description that spells out the project.
2. Start and completion dates that give a reasonable project timeline.
3. Payment terms that tie payment draws to job completion milestones.
4. Local authorization that specifies that your contractor is responsible for securing necessary regulatory permits.
5. Penalties for missed completion dates.
6. Procedure for work



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orders/changes to initial agreement.

7. Detailed outline of costs and materials.

8. Proof of licensure, insurance and bonding.

9. Termination clause that describes how a homeowner or contractor can leave the deal without penalty.

10. Other protection, which can include a lien release that protects you from liability

should the contractor fail to pay their workers.

DEFINING PAYMENT TERMS

There is no steadfast rule to how much your contractor may charge as a down payment. Research your state laws to determine if there's a limit, and aim to start the project with as low a down payment as possible.

This will incentivize your contractor to start and finish your project in an expedited fashion.

ALWAYS WRITE IT OUT

Even if your state doesn't require a written contract, request one from your contractor. This ensures your project and the contractor's work are defined and the work is measurable.

Follow the list of aforementioned contract items, and keep key timelines in mind to ensure project efficiency. Try to be home when possible to make sure you can keep an eye on the progress of your contractor and set up regular meetings to drive productivity.

The more involved you can be as a homeowner, the fewer surprises you'll find when the project comes to a close.

Protect Yourself from Scams

In addition to dealing with the sometimes-stressful logistics of home services work, homeowners must also be aware of potential shady contractors looking to make a quick buck without ensuring a quality result.

In the United States, one in 10 adults will fall victim to a scam or fraud every year, according to the Federal Trade Commission. A large portion of these incidents occur as home improvement scams.

The good news? Taking a few simple precautions can help guarantee that you hire a reputable contractor and get the end result you're after.

According to the FTC, be very wary of someone who:

- Knocks on your door looking for business.
- Has material left over from a previous job that they can use on your job.

- Pressures you to hire them right away.

- Only accepts cash, asks for the entirety of the payment upfront or offers a lender they know.

- Asks you to get building permits.

- Offers a long-term guarantee or says your job will be a demo.

- Doesn't have a business



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number in the local phone book.

USE A TRUSTED LOCAL LENDER

If a loan is needed, make sure to check with your local, trusted lenders first. Get a loan from a financial institution where you have previously done business. A big red flag is

when a scammer offers to arrange loans through a lender they know. Make sure you've investigated the lending institution and that you trust them before moving forward.

DOCUMENT EVERYTHING

Documentation can help solve any kind of shady behavior. If you have everything on

paper, you're more likely to win any kind of possible court battle when dealing with scammers.

The Better Business Bureau advises homeowners to refuse to cash-only deals, high-pressure sales tactics, high upfront payments, handshake deals without a contract and on-site inspections.

Never sign documents quickly without reading them all the way through. If you have an uneasy feeling, use an attorney to help you work through the contract. You may incur a charge, but it's better to pay now and know the ins and outs of your agreement than it is to enter a legal fight later.

Post-Disaster Renovation Tips

Depending on where you live, natural disasters can be a major cause of significant damage to your home.

Earthquakes, floods and fires require home and business owners to rebuild all or parts of their structures.

This process can be even more complex than when deciding to complete a normal renovation because money from insurance companies and the Federal Emergency Management Agency can come into play.

Depending on whether or not you've been through a situation like this, you can become overwhelmed very quickly regarding all of the logistics involved.

Knowing the right way to go about rebuilding is your key to successfully navigating a post-natural disaster renovation.

SAFETY FIRST

Before jumping right into assessing the damage done to your home or business, it's important to ensure the safety of you, your family or your employees.

The Federal Trade Commission advises checking the outside of the building for cracks in the founda-



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tion or chimney or sagging in the roof. Here are a few more tips:

- Never force open any doors that are jammed.
- Be careful going inside if the structure appears unstable.
- Avoid going near downed power lines.
- Do not enter the building if you smell natural gas.

If your home or business has undergone significant damage, your best bet is wait-

ing for utilities and cleanup professionals to assess the situation.

HIRING THE RIGHT REBUILDERS

Unfortunately, scammers have been known to prey on natural disaster victims to swindle them out of money.

According to the FTC, a down payment of one-third the total price when paying a contractor is standard. Pay by check or credit card — never

cash. This way there is a paper trail of what you paid and still owe the contractor. When possible, hire a contractor who has been previously used by people you trust.

UTILIZE GOVERNMENT ASSISTANCE

The federal government could be a great source of funding or support for your unexpected renovation.

FEMA has a disaster hous-

ing program that provides grants to homeowners for minor but necessary repairs related to weather disasters. You can reach FEMA's help-line at (800) 621-FEMA.

The U.S. Small Business Administration offers low-interest loans of up to \$200,000 to homeowners to help repair or replace buildings that have been damaged or destroyed.

Remember to explore all options during the rebuilding process.