Undertaking a Home Repair

Let's start by differentiating between a home improvement and a home repair. A home improvement, as the name implies, means improving something. It is usually a renovation to create more space, change the layout of the house, improve energy efficiency, or to make aesthetic changes. This report will deal with the simpler topic of home repair--basically replacing things that are worn out or fixing things that are broken. Here are some very basic rules to follow.

1. ***Know what you want done***

   If you are replacing a worn out furnace, for example, do some research to find out whether you want a mid-efficiency furnace or a high-efficiency furnace. If you are repairing a roof with a leaking valley flashing, determine whether you want the valley flashing replaced or just patched to last a few years until the whole roof needs re-flashing.

   If you know what you want done, you can compare apples to apples when reviewing quotations. Otherwise it would be very hard to compare various quotes if every contractor has a different repair strategy.

   Be prepared to stick to your guns. Many contractors will tell you that the job is much bigger, much harder, or it must be done his way (because if you don't, it will be dangerous, or much more expensive the next time).

   As home inspectors, we are often faced with contractor opinions that differ drastically from the recommendations in our reports. In most of these cases, the contractor is proposing unnecessary work.
2. ***Find at least 3 experienced, reputable contractors who are capable of doing the work***

   This may sound easier than it is. While it is best to rely on personal referrals from people you trust, these referrals must be taken with a grain of salt. Former customers of contractors are not usually in a position to comment on the quality of the installation of a furnace, for example. Also be sure the type of work that you are planning to have done is similar (in size and scope) to the work done for the person providing the referral. Many contractors who are geared to do major renovations are not well suited to do minor repairs and vice versa.
3. ***Obtain 3 written estimates***

   Our experience has shown that contractors quotes can vary as much as 300% on any given job. This is sometimes due to different perceptions of what needs to be done. This can be avoided by following Step 1 carefully. However, sometimes the variance is simply the result of how busy the contractor is.
4. ***Get three references from each contractor***

   Better than three references is a list of the recent clients that the contractor has worked for. That way you get to choose who you would like to select as a reference. Follow up with these references bearing in mind the comments in Step 2.

   While you are at it, ensure that the contractor has appropriate licenses and insurance.
5. ***Choose the contractor***

   Don't necessarily base your choice on price alone. Look carefully at what has been included in the estimates. Select the contractor with the best reputation, provided that the price for the job is fair. Avoid paying cash. The benefit of a cash deal is typically far greater for the contractor than it is for the homeowner.

6. ***Have both parties sign a contract***

   The contract should include a complete description of the work. It should also include details as to who is responsible for obtaining permits (if there is any doubt regarding the necessity of a permit, contact your local building department).

   The contract should have a start date and a completion date. (On larger contracts, sometimes a penalty clause is included for each day the job extends beyond the completion date.)

   The contract must also contain a payment schedule. The schedule should not demand very much money up front and the payment should be based on stages of completion as opposed to pre-determined dates.

   Remember to hold back 10% of each payment for 45 days after the completion of the job to determine whether any liens have been placed on the property (as a result of the contractor not paying his sub-contractors).

   Also, don't expect much in the way of a guarantee if you are simply asking a contractor to undertake band-aid repairs. Many contractors will not simply patch a damaged valley flashing, for example, even if they are 95% sure that the repair will work. This is because there is still a 5% chance that they will get complaints to fix a subsequent leak. In fairness, the leakage is not their fault. They just do not want the hassles. Consequently, many contractors will suggest repairs which are overkill (replacing the entire side of the roof, for example) to reduce the potential for complaints. A significantly lower price can be obtained, if you explain to the contractor that you expect him to do his best, but you aren't going to make him responsible for the future of the entire roof based on a $300 repair.

7. ***Expect delays***

   Any type of home repair seems to take longer than was first predicted. If the repairs involve any sort of interior demolition, expect divorce dust.

8. ***Have a contingency fund***

   Many home repairs end up unearthing something else that requires repair. While this is very common, ask lots of questions if your contractor is proposing additional work.

Summary

We trust that the above information will help people in their dealings with contractors, realign expectations, and perhaps avoid pitfalls.