




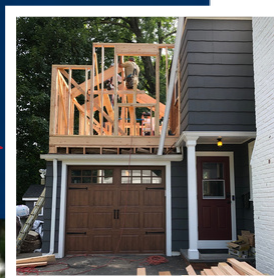
# 5 Questions to Ask Your **REMODELING COMPANY**



A homeowners guide to choosing  
the right remodeling company.



With dozens of local remodeling companies in your township, how can you be sure you are choosing one that is qualified, reputable, and skilled?





## THE PROBLEM

The wrong hire for your project can cost you time and money, not to mention a headache-filled remodeling experience where you are more involved in its planning and scheduling than you want.

Over the last 30+ years, we have seen and heard it all, from so-called “professionals” who left midway through a project with most of a homeowner’s remodeling budget to ones with shotty work that resulted in code violations.





## THE SOLUTION

We collaborated with experts in design, architecture, and specialty trades to develop our free, downloadable guide, **5 Questions to Ask Your Remodeling Company**.

It features critical questions to ask any remodeling professional you are considering.





## THE BENEFITS

Having this insight at your fingertips means avoiding red flags that may show up once its too late and setting your project up for success by covering make-or-break hiring criteria, such as:



IF THEIR PROCESS WILL ALIGN WITH YOUR EXPECTATIONS AND VISIONS AND YIELD THE RESULTS YOU ARE AFTER



HOW TO DETERMINE A REMODELING BUDGET FOR YOUR PROJECT TYPE



WAYS TO VERIFY THEIR REPUTATION, LICENSES, AND INSURANCE COVERAGE



ENSURING YOUR CONTRACT COVERS ALL ASPECTS OF YOUR PROJECT



FORMING A PROJECT COMMUNICATION CADENCE THAT KEEPS YOU IN THE LOOP DURING EACH PHASE OF THE REMODEL

## GET STARTED







1

## What's Your Process?

**THIS QUESTION ALLOWS YOU TO COMPARE THEIR PROCESS WITH YOUR EXPECTATIONS**

One of the top frustrations we hear from homeowners who have completed projects in the past is, "I felt more involved than I wanted to be." The biggest mistake a homeowner can make is assume that all remodeling companies operate the same. To ensure you hire the best professional for your needs, find out the following:



**"WILL I HAVE A DEDICATED TEAM WORKING ON MY JOB?"**

**"WHO IS THE PROJECT MANAGER, AND WHAT SPECIFICALLY WILL THEY OVERSEE EACH DAY?"**



**"IS THERE A WARRANTY FOR YOUR SERVICE OR FOR THE MATERIALS YOU'LL BE USING?"**



### **“DO YOU WORK WITH SUBCONTRACTORS?”**

IF SO, ASK HOW INTEGRATED THEIR PROCESS AND SCHEDULING IS WITH THE PRIMARY COMPANY'S.

**“HOW OFTEN WILL THE BUSINESS OWNER CHECK IN ON THE PROGRESS OF THE PROJECT?”**



**“HOW WILL YOU COMMUNICATE MY PROJECT'S PROGRESS WITH ME?”**

**“WHAT IS YOUR WORKING DAY LIKE?”**

WHAT ARE THE APPROXIMATE START AND END TIMES FOR CONSTRUCTION DAY(S)? DO I NEED TO REMOVE ANY ITEMS THAT ARE IN OR NEAR WORK AREAS? WHAT WILL THE NOISE LEVEL BE LIKE? DO YOU NEED ME TO BE HOME AT ANY POINT DURING THE DAY?



**“WHAT STEPS WILL YOU TAKE TO PROTECT MY PROPERTY & HOW WILL YOU CLEAN UP AT THE END OF THE DAY?”**

**“HOW AND WHERE WILL TOOLS AND MATERIALS BE STORED IF THE JOB SPANS MULTIPLE DAYS?”**



**“HOW WILL ADDITIONAL CHARGES BE DEALT WITH?”**



## 2

### **Are You Licensed & Insured?**

**ASKING THIS WILL HELP YOU NARROW DOWN  
YOUR SEARCH & PROVIDE PEACE OF MIND**

#### **How to Verify a License**

When you have narrowed your list to two or three companies, ask to see their business licenses. Make photocopies and verify they are current by entering their information and license number into the [New Jersey Division of Consumer Affairs website](#).

#### **How to Verify Insurance**

Asking a contractor if they are insured isn't as telling as seeing how they are insured. Contractors should have both workers' compensation and liability insurance specifically for the type of job they perform.

Taking a look at certificates of insurance will give you the peace of mind that they are not insured in an entirely different capacity than the job you're hiring him for.





3

## How Much Do You Think My Project Will Cost?

ASKING THIS WILL ALLOW YOU TO SEE  
HOW THEY APPROACH PROJECT COSTS

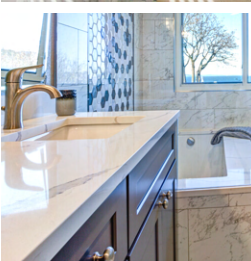
### How to Determine a Budget for Your Remodeling Project

With various online sources providing project costs ranging from updating countertops to upscale room remodels, it can be challenging to pin down a cost range for your updates. For that very reason, we suggest that homeowners in New Jersey and surrounding states refer to the [Hanley Wood Cost vs. Value guide](#).

This site compares the average costs for 22 remodeling projects with the value those projects retain at resale in 150 U.S. markets.

**PRO TIP:** Set aside 15-20% of your remodeling budget to address unforeseen issues that could occur as walls come down and hidden problems surface during your project's construction.





# 4

## What Type of Contract Do You Provide?

ASKING THIS HELPS YOU COVER ALL PROJECT ASPECTS

### How to Get a BulletProof Remodeling Contract

Handshake or not, our experience with construction contracts has taught us that if it isn't in writing, chances are you won't get it. With all the moving parts involved in a remodel, somewhere between 40 to 70 percent of the way through a building project, both contractor and customer are faced with a phenomenon known as selective amnesia, where one or both forget project aspects that they initially agreed to.

To avoid this, there are three basic types of construction contracts you need to know:

- 1) *Stipulated Sum*
- 2) *Time and Materials*
- 3) *Management*



## **How Does a Stipulated Sum Contract Work?**

With a stipulated sum contract, you pay a fixed price that can only be modified by a written change to the work (a change order).

This type of contract is preferable for both parties as it provides a fixed price. Plus, establishing a price in advance – before the work begins – makes a lot of sense.

Be sure that a thoroughly detailed estimate accompanies your stipulated sum contract. A thorough proposal can help to amplify the details in the plans and project specifications, further clarifying the contractor's intentions.

In a stipulated sum contract, you pay the amount specified in the contract no matter how much it costs the contractor.

## **How Does a Time and Materials Contract Work?**

In a time and materials contract, the professional cannot determine the price before the work. While some homeowners can appreciate a pay-as-you-go agreement, with this contract, there is no sure way to determine how long the company will take to complete the work.

While this arrangement may seem appealing at first, with time and materials, the contractor with the lowest labor rate or markup can ultimately be the most expensive choice. Before moving forward on this route, ask yourself, would you rather sign a contract where the price stays the same no matter what the home costs to build or sign a contract where every job cost – necessary or not – increases the price you pay?

## How Does a Management Contract Work?

With a management contract, the company works as a consultant for a fee equal to a percentage of the contract – usually about 10 percent.

If the contract amount is \$25,000, the contractor's fee is \$2,500, plus legitimate expenses. As the amount of the work increases, so does the contractor's fee. If the price goes down – so does the manager's fee.

Additionally, a standard management contract shifts a certain amount of responsibility onto the homeowner's shoulders. Even partial responsibility for the actual construction of a home is not a risk to be taken lightly.

The average homeowner has plenty of responsibility outside of a remodel and most do not want to be involved in managing their project's progress.

**PRO TIP:** The final step in bulletproofing your construction contract should be to ensure that it stipulates WHO will be responsible for WHAT (make it clear that the company will acquire any required permits. Do not get roped into doing it yourself.) It also should define WHEN and WHERE the work will happen. Furthermore, it should address WHY the work is happening and HOW to recover if something goes wrong.

**HOUSELOGIC FURTHER EXPLAINS WHAT SHOULD BE INCLUDED IN THE CONTRACT.**









# 5

## How Will You Keep Me In The Loop Throughout My Project?

ASKING THIS WILL HELP YOU FORM AN IDEAL PROJECT COMMUNICATION CADENCE

From the beginning stages of discussion, through budgeting, formulating timelines, and ensuring quality, there are multiple places where miscommunication can occur, which is why an open conversation about your communication preferences and developing an ideal communication cadence is beneficial for your remodeling project. It can help you avert project pitfalls and provide peace of mind.

Here are a few additional questions to ask the company you are interviewing:

Should I decide to move forward with you, what happens pre-construction, during construction, and post-construction?	
What are your expectations of me at each stage of the project? Will you need me to visit showrooms to select materials, put my furniture in storage, or be present during construction?	
Who will be my point of contact throughout my project duration, and how can I best reach them when needed?	
What is your company's preferred communication method? How responsive are you to text messages, phone calls/voicemails if no one answers, and emails?	
Will you have regular status meetings, and how often will progress be communicated outside those meetings?	
Who reports to whom, and who's responsible for keeping all professionals involved in my project on the same page?	





**WE WISH YOU A  
SUCCESSFUL REMODEL!**

We hope this guide has helped you better navigate the hiring process and invite you to check out our resources below.

### **WANT OUR HELP? HERE'S A PEEK AT THE SEI DIFFERENCE**

We are SEI Construction, Inc., a whole-house remodeling and restoration company founded on Skill, Excellence, and Innovation.

Our streamlined approach addresses all the facets of a project while providing collaboration, cohesion, innovative designs, quality construction, and an exceptional experience for our clients.

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Consultation**

