

MEDITERRA NEO

HOW TO SELECT THE RIGHT BUILDER

THE RIGHT BUILDING PARTNER CAN TURN YOUR VISION OF HOME INTO A REALITY

Selecting the right building partner will have a far greater impact on the success of your remodel or new construction project than any mix of materials, fixtures or finishes you could possibly choose. The end product is, of course, a beautiful, durable, comfortable home. But the realization of your vision of home ultimately rests on the quality of the design; and the skill, experience and integrity of the company that builds it. Namely, how well they listen to your aspirations and concerns, how successfully they collaborate with and support the efforts of your architect, and how well they manage the complex processes of construction. Chief among those processes is their relationship with and their responsibility to you. Long after the trucks have gone, you should remember and value the process that created your home.



It will take a modest investment of time and effort to find a reputable and skilled contractor, but it will save you both in the long run. With the right building partner, your project is more likely to satisfy its schedule and budget goals. And you'll get the home you want. But boards, bolts and budgets aside, building is eminently a people business. So as important as technical aspects are, selecting the right partner is mostly about finding people whom you're comfortable with. You are going to spend a lot of time working with that builder's people. So do your utmost to ensure that you enjoy the journey—by picking the right partner.

DESIGN BUILD

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GATHERING REFERRALS: KEEP IT PERSONAL

The best way to find a contractor is through a direct referral from someone you know, a friend or acquaintance who has had similar work done. So start with your social networks: family, neighbors, coworkers and business contacts may all be good sources for referrals.

For larger projects, you may want to start by interviewing designers or architects—or perhaps you already have an existing relationship with one. If you respect their taste and design sense, that's a good first step towards realizing your vision. Designers and architects always have their favorite contractor(s) and are happy to make recommendations because it will make their job easier. They naturally will prefer to work with a builder who understands and values good design. (If you are thinking about hiring an architect and a builder who have not collaborated before, get them together as early as possible. It helps jump-start the entire project.)

If you are new to an area, your search may take more time and creativity. Get to know your neighborhood and if there are any homes in the area that you particularly admire, knock on the door (at a reasonable hour), introduce yourself and ask the homeowners who designed and built their homes. Most people will be flattered and will gladly share such information.



GET A MEETING

Have a face-to-face meeting with any contractor you're considering. This first meeting should be at the project site to discuss goals and objectives, review typical project phases and key processes, establish budget parameters, and start preliminary design discussions. If you already know who your architect will be, invite him or her to attend. Above all, this first meeting should give you a good feeling about the builder. Does s/he answer your questions? Speaking to you or at you? Make sure you understand their explanations or just leave you buried in a blizzard of buzzwords? Trust your gut.

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WHAT TO ASK PROSPECTIVE CONTRACTORS

Here is a starting list of questions to ask builders during the interview. It's just a beginning. Be kind but persistent: this is one of the more important decisions you'll make this year.

1. How long have you been in business? How did you get into it?
2. Are you licensed and registered with the state?
3. What type of insurances do you carry?
4. Do you offer/Has your firm ever offered design services?
5. How many projects of similar scope have you completed in the last two years?
6. Which previous project are you particularly proud of?
7. May I have a list of references?
8. What distinguishes you from your competitors? Are your prices typically competitive or do your bids tend to be higher or lower? Why?
9. Please describe your company's management style. Which decisions are your project supervisors qualified to make? Which decisions require someone "upstairs"?
10. Who's responsible for scheduling key activities and coordinating subs?
11. Of your three most recent jobs, how close did they come to budget? If there were overages, why did they occur?
12. How do you handle change orders? Do you have an automated manner of recording, tracking and billing them?
13. Please explain a major change order that think you handled particularly well.
14. Will you be using subcontractors on this project? How do you manage them? What core company values do you expect them to adhere to?
15. What is your communication process and how does it work? Is there a central place where I can go to check the status of job items?
16. Please give me a sense of how you resolve problems. Would you share a specific example?
17. What is your policy & execution to insure job site cleanliness?
18. How does your billing process work?
19. How do you handle "Punch List" completion?
20. What warranty coverage do you offer?

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COMPARING BIDS

Just as you'd research, consider quality and compare prices for any expensive purchase, get multiple bids from prospective contractors and be systematic when comparing them. Are the same items present in each bid? How detailed are they? How a contractor gathers information and prepares a bid says a lot. Before generating a bid, any reputable contractor will want to visit the project site and have at least one meeting with you to make sure that s/he understands all of the key factors that are involved in the project.

Once you receive the bids, don't be surprised if their prices vary greatly. One contractor may have a reputation for always "building beyond the code" and using top-quality materials and subcontractors, while another bid may be exceptionally low. Look closely and ask as many questions as necessary to insure that you understand key aspects of each bid and why prices vary so greatly. Expect quality bids to be very detailed.

Beware of the lowest bid, especially if it's dramatically lower than others. Hard-pressed contractors often submit unrealistically low bids, hoping to squeeze costs by cutting quality and make money with change orders. That's a recipe for substandard results, ballooning budgets and a lot of wrangling. Again, question anything you don't understand and persist till you get answers that make sense. Unaddressed questions and loose ends can lead to additional expenses down the road. Get clear on what is or is not included in each proposal. To repeat, don't just settle for the lowest price, look for the best value.

ASK FOR DOCUMENTATION

Make sure all candidates for your project have all appropriate licenses, insurance coverage and so on. (See below.) Licensing requirements are very important. Hiring a licensed contractor means that you are hiring a company that complies with the local regulations and standards. Liability insurance is also very important when the contractor is working in your home. Ultimately, homeowners are liable for what happens on their property if a contractor isn't adequately insured. Ask for proof of insurance before signing any contracts.

The Contractors State License Board (CSLB) is the governing body for all licenses and is the best way to find out if a contractor is actually licensed and if they have any claims against them, etc. You can check on any contractor by visiting cslb.ca.gov.

CHECK REFERENCES, VISIT JOBS

Ask for builders for references from previous clients and then be sure to visit some of their completed projects. Seeing the work is important because a glowing reference is worth more if it describes superb craftsmanship. Also ask the homeowner if the company guaranteed its workmanship for at least a year after project completion—and delivered on that promise.

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GET IT IN WRITING

If it's not in the contract, it's not legally binding. So don't assume anything to be so if it's not in writing. Don't assume, for example, that the contractor will clean up the job site if it's not explicitly stated in the contract. A well-written contract is necessary to guarantee the work is performed as you envisioned and that you are protected in case of dissatisfaction.



ADD A CONTRACT CHECK LIST

A contract specifies all the key details of your project: who, what, where, when and at what cost. It should be detailed and complete and reviewed by your lawyer before you sign.

Here's a basic checklist:

- Contractor contact information

This includes both company and all key staff contacts assigned to your project. Ideally, there should be a single point of contact for all questions during regular business hours and a secure website section in which you can track the status of all project items.

- Payment schedule

Deposits should never be more than 10% of the total price or \$1000, whichever is lower. The contracts should specify how payment will be made to the contractor, subcontractors and suppliers—for example, whether payments to subs go through the contractor.

- Permits

Technically speaking, it is not the contractor's responsibility to obtain all required permits, but they should be on the permit as the "Contractor of Record." If you want the contractor to obtain all necessary permits, make sure that this is included in the contract.

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- **Change Orders**

If you ask for any changes and/or additions to the project after the contract has been signed, a Change Order form documents these requests. Often a project's schedule and budget will be affected, so make sure you are clear on the process the contractor utilizes to handle Change Orders. Ask for a sample change order if one is not provided in the original proposal/bid.

- **Product Details**

List the color, brand name, size and product number of all materials. This information is extremely useful to have when it is time to order any additional quantity or deal with performance or warranty issues. The more details that are provided, the tighter the bid/proposal can and should be.

- **Warranties**

A reputable contractor should offer a warranty for their work, and it should be referenced in the contract. Make sure that the articles covered by the warranty (usually materials and workmanship) are listed, as well as the names and addresses of the parties who honor the warranty (such as the contractor, distributor or manufacturer). Finally, make sure that the contract states the length and any limitations of the warranty.

- **Promises**

Any promises made verbally should also be in writing.

- **Work Schedules**

A schedule that states when the work begins and the target project completion date should be included in the contract.

The above contract review guidelines include the key components of any residential building project. It is certainly not exhaustive and is offered as a basic tool to make sure homeowners know about the critical items for the successful completion of any project.



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SUMMARY

We trust that the above information will be helpful to as you go through the process of choosing the best contractor for your residential project. This report covers only the key aspects of the selection process and is not exhaustive. Each project is unique and will, by definition, have other important aspects that are not included in this report.

If you would like more information, please feel free to contact Brian Emery. Brian would be happy to speak further about choosing a contractor or any other aspect of construction or project management. You can reach him at:

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