



# Seven Little Known “Secrets” for Successfully and Beautifully Remodeling Your Home

*This report can SAVE you thousands of dollars!  
Take the time to read it and use its ADVICE!*

This complimentary Consumer  
Awareness Report provided  
courtesy of...



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Dear Homeowner,

We offer this report to inform homeowners, like you, about the tactics being used by unscrupulous and dishonest contractors. This problem is so widespread that we feel every consumer should read this report before making a home remodeling decision!

After reading this Report you'll discover:

1. The ***Biggest Misconceptions*** about home remodeling construction
2. The ***Biggest Scams*** used to pressure homeowners into buying and how to avoid them
3. How to choose ***The Right Contractor for YOUR project***.

And, much, much, more! Have you ever felt frustrated or aggravated trying to figure out who you can trust to remodel your home? How can you be assured that when you spend your hard-earned money you'll get exactly what you paid for?

If you are frustrated, you are not alone. Haven't we all heard the "nightmare stories" of the high-pressure salespeople, blotched jobs, scam artists, fly-by-niters, unfinished jobs, and general lack of professionalism? Pretty scary stuff!

Let's face it; the bad apples of the industry have really made it hard for the consumer to figure out the "good guys" from the "bad guys." You can't pick up a newspaper or watch TV without seeing another story about somebody who had a terrible experience with his or her remodeling project.

**IMAGINE:** *The “contractor” drove up in an old beat-up work truck with garbage and crushed beer cans in the back window. The dirt and mud on his shoes tracked all through your house. He was wearing a shirt that he hadn’t changed for the last seven days that said, “!\*#! Happens!” His offer was about \$6,500. Pulling out a card that said “Bubba’s Home Improvement,” he scribbled the estimate down. He never showed you any samples of products and no current proof of a license or insurance. Then, he said that you would have to pay \$300 up front for “supplies,” and he would “probably” be back to start in a few weeks.*

*Please!! You could smell that rip-off artist a mile away. He low-balled the price just to try to sucker you in. He’s probably looking for the cash so that he can high tail it out of town with your hard-earned money. I wonder how many people he has already taken advantage of?*

*There must be a better way to get the quality remodeling job that you want!*

**There is, that is why we supply this report!**

**SECRET #1** *Avoid the 2 biggest misconceptions about remodeling.*

**1. Misconception Number One:** Don’t just believe what the contractor tells you—make him show you! This is a common and often costly mistake. Many contractors tell you they are members of an organization, but they have no proof of it. If they have no proof, you need to investigate the company further. Don’t ever make a decision just based on the contractor’s hearsay.

**2. Misconception Number Two:** Going with the lowest price saves you money. No, not necessarily! Everyone tends to look for the lowest price. On a low estimate, you must ask yourself, “what is being left out,” or “what shortcut is being taken?” Everyone wants three things whenever they are making a purchase: (1) Low Price, (2) Best Quality, and (3) Best Service. It is impossible to get all three, hence the old adage, “you get what you pay for!” You must ask yourself, “Which of the three am I willing to give up?” Let me explain....



Peter and Sylvia worked hard their entire lives to pay for their home and retire comfortable. They decided a few months back to remodel their raised ranch with new vinyl windows and vinyl siding. Their idea was to beautify their home, make it more comfortable and energy efficient, and make it maintenance-free so they could lower their monthly heating and cooling bills and wouldn't have to deal with the routine hassle of exterior painting.

Sylvia decided to call a few local remodelers for estimates. She looked through the yellow pages for the contractor's phone numbers whom she thought were reputable. She was looking for someone to educate and walk her through the process of a vinyl window upgrade and siding project.

She was a little disappointed when the first contractor she called arrived two days later than scheduled. She had expected someone very professional, given the fact that his company's name was relatively well known and had completed a lot of homes throughout the area. He showed up wearing worn-out jeans, work boots, and a t-shirt. He didn't provide her with any license numbers, copies of insurance, or literature about the products. He was using warranty information, before and after pictures, and a customer referral. He basically described to her the work that would be done to her house, and when it came time to measure the house for an estimate, he "eye balled" the house and gave her a figure that he wrote down on the back of his business card.

*Undoubtedly, he had the lowest bid.*



Although they wanted a good price, they didn't feel comfortable with the first contractor's estimate. They then called ACME Remodeling, another seemingly reputable local contractor, for a second estimate. Much to their surprise, ACME set up an estimate time to meet with them and made sure the time fit into Sylvia and Peter's schedule. A representative arrived promptly at the set time, professionally attired. Before he even started discussion about the project, he provided them with a complete presentation about the company and his history including: license numbers, insurance certificates, award certificates, and customer referrals. He then proceeded to educate them with information about the materials and what the installation process involved. He showed them all the decorative options available for their house and provided them with samples of the products, a swatch of all the colors available. He then asked Sylvia and Peter to join him outside the house while he took all the measurements so that he could walk them through the project and describe in detail the installation process.

Once inside the house again, he sat down and detailed the complete project including materials and timeframes. He explained the manufacturers and contractors warranties on material and labor. They were given an estimate that was good for two years that included a discount if they wanted to do the job sooner. They seemed satisfied with the entire scope of the project. As they considered what to do her mind flashed back to the last company that had been there. This company had given them an estimate for \$20,000 and told them "if we can do business tonight, we can save you \$10,000!" The other estimates they had received were \$9,200, \$5,500, and \$7,500. After considering all the information and the value they were getting from ACME, they decided to do business with them.

Sylvia remembered that some companies offer incentives for purchasing on the first visit. She understood that this offer is designed to save time and money, but she would have never purchased on the first visit if ACME did not earn her trust and make her comfortable with her purchasing decision.

Looking back on the project they were happy they spent the effort to research their project and the company. They felt that they made the most educated decision with the contractor they selected.

Like anything else, you can't get something for nothing. *Be careful of choosing your contactor based upon the lowest price.* Before you accept a low price, you should *consider the level of service involved, the type of company you're choosing, the project's design, and the project's specifications.* Though price is always a consideration, you should be more concerned with value. Try to get the best contractor you can find and the highest quality work for your money.

## **SECRET #2** *Don't fall for the common scams.*

The most common ploy disreputable contractors use to pressure folks into signing a contract is the model home discount. This is an old "tin man" (aluminum siding) sales story that promises you a steep discount for signing a contract right then.

The scam centers on the need to use your home as a model to advertise their services in the neighborhood to get more jobs. If you allow them to use your home as a "show home" for advertising purposes, they'll rebate several thousands to you. The only catch is that you must sign now! This trick is as old as they come; yet it still nets hundreds of people.

If a contractor is offering some "special deal", ask them to legitimize what they are offering. For example, if it is an advertising promotion they are looking to do, ask them for documentation or samples of flyers or literature that they are intending to mail or hand deliver.



### SECRET #3 *Beware of the “door-to-door” handymen!*

These people may not be contractors at all. Never allow them into your home until you have checked them out thoroughly! This cannot be stressed enough. You have seen or heard the stories many times on the nightly news and new shows about two men claiming to be contractors entering homes. One took the homeowner on a pretend sales call or inspection while the other guy was going through purses and other personal belongings.

If they happen to be a real company, often times these companies will do a sloppy job (if they even do the job at all). Some start the job and never finish. Others are just looking to get a sizeable down payment and run off with your hard earned money. It can be so frustrating trying to chase after these guys, getting them to come back and finish the job or clean up a messy work site.

*What is worse?* Often their work is so inferior, you may need to hire another company, *at an additional expense to you*, to come and fix up all the screw-ups!



### SECRET #4 *Choose the right contractor.*

#### **11 Questions to Ask a Contractor Before You Invite Them to Your Home**

- 1. Are you licensed?** In most states contractors are required to be licensed. Licensing usually involves lengthy training for testing. In Colorado licensing is done by cities and in some cases counties. The problem for the consumer is that they can be misled into thinking the contractor possesses a level of proficiency or knowledge that they may not have.
- 2. Do you carry general liability insurance?** Make sure your contractor carries general liability insurance that is currently in force. This type of insurance protects your property in case of damage caused by the contractor and/or their employees. The insurance company will pay for the cost of replacing and/or repairing that occurs.

- 3. Do you carry workman's compensation insurance?** Make sure your contractor has workman's compensation insurance. It protects you from liability if a worker is injured while on your property. Be aware that if your contractor doesn't carry workman's compensation coverage *you may be liable for any injuries suffered* by any of the contractor's employees or workers on your property. Some contractors will tell you that your homeowners insurance will cover them against bodily injury. Do not believe this lie! Most policies specifically exclude coverage for injuries to hired contractors. If the contractor does carry workman's compensation insurance ask them to show you a copy of their insurance certificate, and make sure it is for the current time period.
- 4. Are you a member of the Home Builders Association, Better Business Bureau, or any other building group?** It is always a good idea to consider hiring a contractor that belongs to at least one, if not all, of them. Here's why: In most cases these associations attract only conscientious contractors interested in improving the industry and weeding out unprofessional builders and remodelers. Secondly, in order to become a member, these associations investigate the contractor's background and references. Thirdly, all members must sign a written code of ethics and pledge to professionalism. Most members take this pledge very seriously.
- 5. Will you pull the required permits?** Make sure your contractor pulls all the required permits. This is very important. When a contractor pulls the required permits, you know things will be done "to code". Also, many homeowners' insurance policies require pulling a permit on any major remodeling to keep your home properly covered. Not all contractors will do this. Many prefer not to pull permits because of the time involved and the "hassle" with the inspectors. Some contractors may ask you to get the permits. This could be a warning sign that they aren't able to pull the permits because they are unlicensed, or the work is outside of their license. A reputable contractor will pull a permit on every job where a permit is required.

**6. Do you guarantee your work?** Your contractor should guarantee their work. I've always felt that if you can't guarantee it, don't build it. I believe every job should be backed with a workmanship warranty. *Many contractors will not guarantee their work!* The highest cost of most repairs is the labor not the parts. If a contractor won't guarantee it, don't buy it.

**7. Will you provide me with written references?** Your contractor should gladly provide you with references. You should look for a well established contractor who can give you several customer references—usually previous customers from the last 6 months to a year. Make sure the company has a physical presence as this gives you a place where you know you can find them and indicates they are financially sound and won't be declaring bankruptcy in the middle of your project.

**8. Who will be in charge of my job?** Make sure the contractor or his job supervisor is on the job whenever work is being performed. The former party must be intimately familiar with every aspect of your project. If you won't be home during the construction and must leave the house unlocked or leave a key with the contractor, you must feel comfortable. You can't be worried about what is going on when you are not there.

**9. What percentage of your business is repeat or referral business?**

When a significant source of a contractor's business is derived from repeat and referral business, it usually indicates that their clients are pleased with the work they've received.

**10. How many projects like mine have you completed in the last year?**

Your contractor should be experienced in the type of remodeling project you want done not just “contracting experience.” For example, a contractor who mainly does framing and carpentry does not work with siding from week-to-week.

**11. How do you handle your clean up?** A clean work site is fundamental to a smooth remodeling project. Your contractor should clean up any debris at the end of each day and dispose of any rubbish at the conclusion of the work. Your home should be left “broom swept.”

**SECRET #5** *The biggest mistake homeowners make & how to avoid it!*

Far and away the number one mistake most homeowners make costing them a fortune is, they do NOT choose a professional contractor to work on their home.

There are times when a friend or neighbor says they know someone that can do the project for you for less money. Unless this is a legitimate company that the person used for their own project on their own home and was satisfied with the resulting work they’ve done this can be the quickest way to mess up a perfectly good friendship or end up mad at your neighbor. If it is an individual and you aren’t happy with the work they did, or didn’t do, and they don’t respond to your calls or complaints there can be no recourse and now your once close relationship with your friend or neighbor is over.



**1. Good Communication.** If you can talk with each other, you can work out any details that come up.

- When you call can you get hold of someone?
- Do they return a call promptly?
- Do they listen to you?
- Do they answer all your questions and concerns thoroughly?

Nothing is more important than feeling like your contractor understands your needs and concerns. If your contractor is so busy that he can't return your calls promptly, maybe it is time to look for a different contractor. When you are in a discussion, does the contractor really listen to you? Really listen? This is vital.

**2. Comfort.** If you feel comfortable with your contractor, the chances are good your project will run smoothly. Think about it. You've just invited a stranger into your house. Do you find this person nice? Considerate? Personable? A Listener? Was he polite and courteous? Or did he make you feel that he wasn't interested? You will be working with this person for a matter of days, weeks, or months depending upon the project you need completed. Can you stand to have this person around?

**3. Trustworthy.** If you feel your contractor is trustworthy, the likelihood of a successful project is good. Check his references. Keep in mind that if your project will entail entrance into your home and you won't be home during the day, the keys to your castle will be given to your contractor. Can you trust him or her? Listen to your conscience.

**4. Completion.** Will your contractor give you a reasonable estimate for how long the project will take to complete? A good contractor will do this. Remember that you want to hire a good contractor, not a new roommate! Nothing is more frustrating and irritating than a remodeling job that drags on and on.



**5. Written Contract.** I can't tell you how many contractors I have seen look at rather complex jobs, pick a price out of thin air, scribble a figure only on the back of their business card, and give the card to the homeowner. Show contractors who do this the door! You want a detailed, written contract that shows what is included: exact materials, brand names and cost. It is one thing to be informal with an estimate, it is quite another to try and do business without a formal contract.

**6. Detail.** Work out the little details before work begins. Talk about things like

- Where the dumpster goes, or where the debris pile will be created?
- When will the project begin?
- Who can you contact at the office with questions?

**7. Appearance.** If your contractor has a neat appearance, this is a very good sign of things to come. This may sound silly, but it is not. He doesn't have to show up in a coat and tie, but neatness does count. Is he clean? Is his vehicle presentable, or falling apart? If his appearance is neat, chances are good he will keep your job and your home neat too.



**8. Down Payment.** If the contractor asks for a big chunk of money up front, this could be a tip-off that they are not in good financial shape and you could be in for a rocky experience. A fair down payment should not exceed  $\frac{1}{3}$ , unless custom ordered items are needed in the beginning stage of construction. As the work progresses, you should expect to pay out additional funds to match the prescribed, completed stages.

**9. Change Orders.** With remodeling, there is always the chance that you may want or need to change a material or contracted item. Ask how these are handled. They should be written on a separate document showing in detail what is being changed and how much it will cost. This should be done before the change is affected, wherever possible, and signed by both the contractor and homeowner. Good communication is the key to determining how the rest of the project will go. If you can talk with each other, you can work out any details that might come up.

**SECRET #7** *Plan your project!*

This is really the greatest “secret” of all! Plan your project with a qualified remodeling expert! Most people spend more time planning a one-week vacation than they do a major remodel to their home. If you’re considering a remodel in the near future, sitting down and talking with a professional remodeling expert who can answer all of your questions is the best advice I know.

- Someone who can help you through the “maze” of planning a remodeling job.
- Someone who will listen to your every concern.
- Someone who subscribes to the principals and “secrets” described above.

As you might have guessed, this is the only way we work here at K&H. Initially we provide you a FREE, NO OBLIGATION meeting to find out what your concerns are, and determining if we can be of help to you and your family. Hopefully, we can show you, as we have thousands of others, how to make fantastic improvement on your home, something really to be proud of! Sounds good, doesn’t it?

*If all this makes sense, and you are curious about K&H’s approach to remodeling, please give us a call.*

*We’ll be happy to answer all of your questions for free. 303-421-7100.*



You are now properly prepared to solicit estimates for your home remodeling project. Do you feel wiser? I hope so. At K&H, we feel it is important for you to be comfortable with your contractor. So if you should ever need windows, siding, gutters or gutter protection please consider allowing us to educate you on your project and provide you with a competitive estimate.

Remember that when a representative from K&H visits your home, we are not going to use high-pressure tactics. It is simply a chance for you to meet us and see if our services can benefit you. If, after our meeting, you believe there is no benefit to be derived from working with us, we simply leave and that is it. If, however, you do find that you would like our help, we will discuss how we proceed from there.

I can't think of a better way to work. Can you? If you think our approach is fair and honest, please consider K&H for your home remodeling needs. Best of luck with your remodeling plans!



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