

Avoiding the 'While you're at it' syndrome when working with contractors

The Associated Press

Here's a malady homeowners want to avoid: The "while you're at it syndrome."

It refers to the propensity to cast budget aside during major home remodeling and improvements. The result is sharply higher costs, leaving homeowners to ask themselves, "What happened?"

What happens is a faulty budget process, inadequate bid review and a lack of budgetary restraint, according to a project expert for the Home Service Store (HSS), a home maintenance, repair and improvement provider.

To upgrade and add on after the project is started is often a big temptation. The additional cost of upgrading a faucet might not be much in the context of a \$10,000 project, so it's easy to say, "While we're at it we might as well..."

"Let's say a contractor is remodeling a bathroom, he's installing a vanity, and the budget is \$12,000," said Rod O'Dell, a construction expert for the Home Service Store. "Many times the homeowner will tell

the contractor 'While you're at it, why don't you install a marble vanity in place of a porcelain model?' They have just added hundreds of dollars to the costs. When you total the add-ons, the mid-job upgrades are budget-killers."

To building professionals, these requests are called "change orders"—midstream amendments often made at the whim of the homeowner. Item by item, change orders beef up the cost of the job. O'Dell recounts a bathroom project that went \$3,200 over budget on hardware alone. The homeowner was stunned at the self-inflicted cost overrun. Most remodeling and improvement budgets exceed the intended amount by around 10 percent, with 30 percent to 60 percent overruns not unheard of.

The problem, according to O'Dell, is that homeowners meander through home store aisles noting the cost of materials. Those cursory visits serve as budget guidelines but they miss key cost elements a contractor includes in bids.

"Budgets frequently don't meet with reality," said O'Dell. "Homeowners don't take into consideration what the contrac-

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Rod O'Dell, construction expert, Home Service Store

tor would take into account."

For instance, the homeowner sees a bathroom with sparkling new fixtures and features. The contractor sees a wall that needs to be moved 3 feet, a floor that needs reinforcement to hold a whirlpool tub, and wiring a 220-watt electrical circuit to handle the tub heater. O'Dell said a good way to get a general idea about the cost of a remodeling job is by using an online home-improvement cost calculator.

Homeowners who automatically accept the lowest bid also invite a different kind of trou-

ble, said O'Dell.

"If there is a big disparity between bids, there has to be a reason," said O'Dell. "Usually, the contractor is not including something, such as using lower grade materials or skipping inspections. It's up to the homeowner to ask those questions. It's not always a matter of the lowest price. Labor and material costs won't vary widely enough to be the cause of most disparities if the scope of work and materials are the same. You have to ask, 'What's missing here?'"

O'Dell counsels HSS customers to insist contractor bids be very specific in terms of materials used and construction steps to be taken. Better contractors will also include a detailed, written description of the job to include functions such as removing walls, reinforcing floors and other factors the homeowner might not be aware of.

He also urges homeowners to set realistic budgets.

"It's fine to walk home stores to check material prices," said O'Dell, "but if you do, be sure to account for all items. That's what a good contractor will do."

Most budgets should include a

15 percent to 20 percent average contingency for the unexpected — unseen damage or other conditions and change orders.

"The more detail the homeowner knows, the better," said

O'Dell. "They need to watch out for all the little changes that can balloon costs. The only way to cure the 'while you're at it syndrome' is to make sure you set a realistic budget and stick to it."

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A low contractor bid can exact a high price

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It happens every day: homeowners ask one or more contractors for bids on a home improvement job.

When the dust settles and final bills are in, homeowners often are dismayed that the project went over budget and, in many cases, the results are disappointing.

What happened?
What happened is the homeowner was driven at all cost to accept only low costs, often with disastrous results, according to a home improvement expert

"Some people think the more quotes they get, the cheaper the job will be—and they're right, they'll get a cheaper job in more ways than one," said Mike Turner, national trades director for the Home Service Store. "There's not a job in the world you can't continue to get proposals on because someone will do it cheaper."

Homeowners fixated on low price overlook elements essential to a job done right, on time, and on budget.

Turner believes homeowners who select contractors based on price alone have the process reversed. He counsels homeowners who put more effort into contractor selection first, followed by cost considerations.

"If the homeowner has the right contractor, price and quality issues may take care of themselves," said Turner.

Homeowners insist on low price should give prospective bid-

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skill of a professional tradesman or tradeswoman.

"A good contractor will have a better understanding of what needs to be done," he said. "Most homeowners don't even know what to ask. They have an understanding of what they want, but they need a contractor with the vision to see the job as the homeowner sees it, and has the know-how to ask the customer the right questions."

Turner cautions that even the most professional of contractors will "do only what's necessary" to get the job when pressed by homeowners. "The joy of a low price is short-lived compared to the joy of a job well done. If you pay a little more money for a good job and amortize that cost over time, it's nothing. If you get a poor quality job, you never get over the diminished value and heartache you suffer."

There are steps homeowners can take in the bid process to keep costs in line. Turner advises homeowners to be wary of contingencies and change orders. Both are loaded with potential cost overruns.

Contingencies are unforeseen situations. For instance, if a homeowner asks for shingles to be replaced, the contractor might find rotten sub-roofing in need in replacement. The homeowner should stipulate that contingencies be separate line items in bids.

Change orders are midstream changes or upgrades to project plans or materials, often at the

whim of the homeowner.

Consumers should insist all bids be in writing. Ask for a neutral opinion of the bid from a friend or neighbor. If they understand what the contractor proposes, chances are the job will be done right.

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