

10 Tips for Home Renovation

1. **Work with licensed contractors.** Get three bids before choosing a contractor to do the job, and before selecting the contractor, find out everything you can about the contractor's past work, and be sure that the contractor is fully insured.
2. **Decide on the best method of financing.** Consider both the out-of-pocket expense and the long-term payback potential of your renovation when you figure out how to pay for the renovation. You can finance the project in any number of ways, including paying cash, borrowing from your retirement, and taking out a home equity loan.
3. **Get it in writing.** Make sure you have a written contract, which your lawyer reviews before you sign it. Getting all the important details of your agreement with the contractor in writing—including start dates and finish dates, warranties, insurance, and what to do if things go wrong—will help you protect your rights. A lawyer can help you create a watertight contract. At the very least, have a lawyer look at the contract before you sign it.
4. **Have the proper insurance coverage.** Talk to your insurance agent about the possible insurance issues that could arise.
5. **Communicate with your contractor.** The most important thing you can do is to let your contractor know what you want and to listen to what your contractor is saying. You have to be clear about what you want, down to the size of the handles and knobs on the cabinet doors.
6. **Comply with permit and zoning requirements.** Doing a renovation without a permit can cause enormous problems if the illegal work is discovered. The city can fine you, and even force you to tear down your renovation. Do not work with a contractor who suggests bypassing these requirements.
7. **Adhere to the rules.** If you're living in a condo or a planned unit development, there are likely to be very strict limits on what you can do. Before you start a renovation, check the bylaws and talk to the governing board.
8. **Think twice about being your own contractor.** Make sure you understand what you're getting into. It requires knowledge that you may not have, a great deal of work, and a great deal of personal financial and legal risk.
9. **Beware of scam artists – in financing and in repairs.** If someone comes to your door offering to renovate your house, fix your roof, replace your stucco, or asking if you've considered renovating your house, your antennae should pop up.
10. **Remember the basic realities of home renovation: It will take longer and it will cost more than you have planned.**

SOURCE: American Bar Association Division for Public Education