

RENO GUIDE

Read Before
You Renovate



A SOLID FOUNDATION FOR YOUR RENOVATION OR ADDITION

Canadians love their homes. So much so that homeowners spent more than \$66 billion repairing, improving, upgrading and expanding them, according to a 2012 Altus Group study. That's slightly more than is spent annually on building new homes across the country!

When it comes to major renovations or additions, the stakes are particularly high – costs are substantial, projects can take months to complete, disruption to your daily routine is unavoidable, and the consequences of mistakes can be long-lasting.

Major renovations or additions are usually once-in-a-lifetime projects, and should receive the same care and attention as other family milestones, such as weddings. A dream wedding and a fantastic renovation are candidates for lengthy anticipation, careful planning and thoughtful execution.

To give homeowners confidence, to reduce risk, to minimize inconvenience, and to maximize the pleasure and added value that a well-conceived and executed project can add to your home, the local Home Builders' Associations offer this guide to a successful renovation.

We are the voice of the professional renovation industry across Canada. Our members include not just new home builders, but professional renovation contractors, suppliers, lenders, sub-contractors and others involved in all aspects of residential construction.

Our RenoMark™ symbol identifies those professional renovation contractors who have agreed to the Association's Code of Ethics as well as a renovation-specific Code of Conduct, who provide warranties, who understand the value of customer service during and following projects, and who have access to information on current trends, the latest materials and new regulations.

We are confident in saying that the first place to start your renovation project is by hiring a professional RenoMark™ renovator. We want you to live happily ever after with your renovation project!

PROJECTS THAT WILL PROVIDE “PAYBACK”

RE/MAX has done research of homeowners and homebuyers to find out which renovation projects are most likely to result in “payback” when the house is sold.

In order, the following projects add value that may be recovered based on a home valued between \$250,000 - \$400,000:

1. renovating a kitchen
2. replacing/upgrading the roof
3. replacing windows or doors
4. renovating a bathroom
5. upgrading the flooring
6. adding a fireplace

Understand whether your project will increase the market value of your home or is just for your own pleasure and convenience.

WHY RENOVATE?

There are many reasons to renovate beyond just increasing the convenience and comfort of your home; and many reasons to build additions beyond just creating more space. Many projects will make your home more attractive, safer, easier to maintain as well as more energy-efficient and less costly to operate.

Except for the most personal of aesthetic improvements, you may also add to the market value of your home.

Five Steps To a Worry-Free Renovation or Addition

1 Carefully Plan Your Project

Some renovations and additions, such as converting a bungalow to a two-storey home, will require that you move out during construction. Other projects, such as an addition above an attached garage or a refurbished kitchen, may allow you to live with the building project – but there will be inconvenience and disruption that you'll have to plan for.

Major projects may require the services of an architect and other professionals such as engineers and heating contractors. Their drawings are not only required to obtain building permits and other municipal approvals, but they provide the basis for your renovation contractor to price the project.

Be realistic about the time a project will take to get started and to complete. Consider its full costs, including at least a 10 per cent contingency for changes and unexpected conditions and the impact the project will have on the daily operation of your home and family activities.

If your project is likely to last more than a few weeks, it's wise to discuss your project with neighbours. In addition to unavoidable noise and dirt, there will be vehicles parked on the street, disposal bins in the driveway and plenty of truck deliveries. Most neighbours will be understanding and accommodating, especially if notified first.

Include a requirement for daily clean-up in your contract, so that your home, your street and nearby lawns don't end up resembling a construction site.



2

Select a RenoMark™ Renovator

Look for a professional RenoMark™ renovator. The RenoMark™ symbol tells you that your contractor has agreed to abide by the local home builders' association Code of Ethics as well as a renovation-specific Code of Conduct.

Ask about the renovator's experience with projects similar to yours. We recommend that you get the names of homeowners who have had equivalent work done and ask them about their experience.

It's wise to contact a renovator first. Many RenoMark™ renovators have in-house design professionals or relationships with architects and others who specialize in designing residential renovation projects. If you engage a designer first, bring a renovator into the team as early as possible so that your project can benefit from the experience and expertise of each party.

At this stage your design professional or your renovator should be able to provide rough sketches to give you confidence to proceed or to refine your plans. A preliminary sketch and a general indication of the quality of materials and workmanship you seek (the "specifications") will allow the renovator to give you a budget estimate and an indication of the time it will take to finalize design, obtain building permits or other approvals and complete the project.

Your RenoMark™ renovator will select and manage experienced trades people such as electricians, plumbers, painters, or those who apply drywall, brick or stucco, to complete specific elements.



3

Get a Written Contract

Once you are satisfied with a preliminary design, a preliminary budget and a realistic timetable, you are ready to commit to final drawings. When these are complete you are in a position to get an accurate estimate of the cost and to sign a contract with a renovator to perform the work.

If you decide to ask more than one renovator to submit bids, remember that this can be a time-consuming effort. The renovator has to be very precise in pricing materials according to the specifications...because they will be locked in to the price.

When you make your decision to hire a renovator, get it in writing. Include the precise scope of work; the exact price, including a schedule of payments; a reasonable timetable for completing the work; and any instructions for protecting parts of the house not under construction.

If there is any difference of opinion between your renovator and your design professional about procedures or materials, this is the time to resolve it. It is important to avoid any significant changes during construction because this may cause delays and extra cost.

Avoid renovators who offer to do work without a contract in an attempt to avoid payment of the HST. This type of renovator may also not be paying provincial worker's compensation coverage or carrying adequate insurance, leaving you at financial risk.

The Construction Lien Act allows you to withhold 10 per cent of the cost for 45 days following substantial completion of the project. This protects you if the renovator fails to pay all the subcontractors and suppliers, and is not related to ensuring that the job is done right.



4 Check on Progress

Regular communication between you and your renovator may avoid problems.

During the course of a renovation or addition it is common for the homeowner to request changes or ask for additional work. These requests may affect the cost and time it takes to complete your project. It is important that you have a signed change order for all changes.

Make sure that you are aware of additional costs and that these changes are added to the contract. Better still, try to think of these things during the planning stage – you don't want to be ordering additional flowers on the wedding day!

5 Discuss Your Project

Talk about priorities without delay. Schedule meetings with your renovator when he or she can discuss your project without distraction.

Your renovator will discuss any issues or details related to your project or items that do not meet your expectations. Be flexible when minor changes occur that do not affect either the appearance or function of the job. Note any changes that are made as a result of such conferences, and do so in writing.

A RENOMARK RENOVATOR WILL -

- Be a member in good standing of the local Canadian Home Builders' Association.
- Abide by the Association's Code of Ethics.
- Provide a detailed, written contract (including scope of work) for all jobs.
- Offer a minimum two-year warranty on all work.
(excludes minor home repair).
- Carry a minimum of \$2 million liability insurance.
- Have coverage for workplace safety and employers' liability and/or only work with sub-contractors who carry such coverage.
- Carry all applicable licences and permits.
- Have access to information, education, training and professional development through membership in the Association.
- Maintain a safe and organized work site.
- Return phone calls within two business days.



To find a professional
RenoMark™ Renovator
near you visit

www.renomark.ca
