

Residential Remodeling The Process and Financing Options

THE DESIGN-REMODEL PROCESS

We like to work together with you in a multi-step process, blending your ideas and ours to create a plan or design that your personality and vision as well as accommodates your budget..

1. Initial Meeting

A representative(s) from R Henry Construction will meet with you in our office or at the project site to obtain a general understanding of the project. We will try to determine whether or not the project is feasible and any possible issues that may need to be addressed, things such as a need to update an electrical panel or any structural concerns.

We ask you about your goals for the project, and try to decide whether it will require design help or drafting. We like to estimate a rough budget (what the project may cost to complete) for you so that you have an understanding of what other similar projects have cost.

We can also talk about financing options (see page 2) with you if you wish. If the cost seems like it may be more than you can afford or wish to pay, we can discuss whether it makes sense to complete the project in phases - rather than all at once.

We may take pictures and measurements as necessary as a first step towards creating concept drawings.

2. Concept Drawings

Depending on the size and complexity of the project, we may produce a rough sketch/concept drawing to ensure we are moving forward in a direction you like. This concept may be hand sketched or computer generated and will serve as a beginning point to show you what we think we can accomplish within your budget.

We welcome discussion and changes you may like to see. Once we have settled on a direction and the concept drawings reflect your desired result, and you are comfortable with our initial estimate of the cost, we will move on to the Design and Selection stage.

3. Design, Drafting and Selection Process

Now the fun begins! Our team will start drawing the plans and we will meet with you as needed during the process. If you wish we can pull in interior designers who can help guide your product selections.

A key advantage of this approach is the integrated services - the same company that develops the concept also takes responsibility for the budget and pricing, so you can be assured that we will be working toward developing a plan that works for your budget.

4. Pricing and Construction Contract

Now that we have a finished design and materials chosen, we can put an exact price on the project for you. On larger projects this can take a little time, but once we have pricing together we will meet with you and go over everything – the drawings, the scope of the work, your material selections and the final budget.

Once you have approved everything, you will sign a construction contract and make a down payment, at which time we will schedule the project and review the timeline and other details with you. We may discuss with you how to prepare your home for the start of remodeling and the overall plan for the remodel process.

5. Construction Phase

The Construction Phase will typically begin with a pre-construction meeting with you and the project manager. The purpose of the meeting will be to go through the process, review how payment requests will be made and the process for change orders and what you might expect during construction.

Once construction begins there may still be meetings scheduled - either at the project site or in our office. These meetings will help to ensure communication is open between you and the project manager and your designer. Any necessary changes to the schedule and timeline will also be discussed.

6. Close Out and Warranty

As the project nears completion, we will conduct a final walk-through with you at which time we will make note of any punch list items and details that still need attention. Once those items have been completed and final cleanup is finished, the construction phase of the job will be complete and you can enjoy the transformation of your home.

Now the Warranty period will begin, and your project manager will explain our warranty, any follow up visits you may expect, as well as product warranties that may be applicable.

Additionally, we may schedule a time with you to take final photographs of the project, which might require some minor staging on our part - which we will always coordinate with you in advance.

FINANCING OPTIONS FOR YOUR PROJECT

While a few projects may be funded from savings, very often that is not the case and we understand that planning for the project's financing is an important part of the process.

R. Henry Construction is happy to help with this in any way we can. We may be able to offer some guidance when assessing your financing options. The following are some typical financing options:

1. We accept all major Credit Cards

Many customers have cash back or rewards cards and wish to fund some or all the project on a credit card. Credit cards may also be used for the initial down payment on the project.

2. No Interest and Low Interest Loan Programs

For small to mid-sized remodel projects (generally up to \$50,000 and in some cases up to \$100,000) we offer very quick approval loans (generally 10 minutes or less) to R. Henry Construction customers through Enerbank. These loans are available in two options: a 12 Month No Interest No Payment loan or a 84 Month loans at 6.99% (both are described below). Both of these loans have no closing costs or collateral required and generally approvals take 10 minutes or less.

The primary advantage to these loans is the quick approval process, no closing costs, and that no collateral is required for the loan. A basic description of each loan is as follows:

12 Month No Payment No Interest Loan: This loan is just what it says, you are not required to make a payment nor will you be charged any interest if the loan is paid off within 12 months. However, if the loan is not paid off in 12 months then the interest rate may be higher. The 12 month period will either begin at the start of the project (if you finance the down payment) or once the project is complete.

84 Month Loan at 6.99% Interest: This loan may be a better option than the 12 Month No Interest loan if you are not going to be able to pay the balance off in 12 months. While you may be able to get a little bit lower of a rate by taking out a home equity loan or line of credit through a local bank, the advantage to this loan is the process is much quicker and less cumbersome, and no appraisal or collateral is required.

3. Home Equity Loan or a Home Equity Line of Credit

A Home Equity Loan (or Line of Credit) through a local bank is a very common and often the best way to finance your project. Although the process can be longer the interest rates are usually very good on these types of loans. The bank will generally request an appraisal of the property based on what the house will look like after the remodel is complete

R. Henry Construction works with local banks and we can help guide you on choosing the right lender for your project. Additionally, we will submit the plans to your bank and the appraiser, and help explain the remodel project to them to ensure that the appraisal you receive reflects all the changes made in the remodel design - so you get the best possible appraisal.