

Residential Remodeling Process and Financing Options

THE REMODEL AND DESIGN PROCESS

We understand that choosing a quality contractor for your remodel project can be challenging. How can you be sure you are selecting a contractor that is properly equipped or has the required skills to take on your project? R. Henry Construction takes a professional approach with every project. We will collaborate with you in a multi-step process to create a plan or design that fits your personality and vision as well as accommodates your budget.

1. Initial Meeting and/or Site Visit

A representative(s) from R. Henry Construction will meet with you to obtain a general understanding of your project. We will try to determine whether the project is feasible and any issues that may need to be addressed, such as the need to update an electrical panel or any structural concerns.

We will ask about your goals for the project and determine if it will require design help or drafting. We prefer to estimate a rough budget (what the project may cost to complete) so you have an idea of what other similar projects cost.

We may also discuss how the project will be financed and various financing options (see page 2). If the estimated cost of the project 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.

If both parties agree the project seems feasible, we will schedule a site visit to look more closely at the project, take measurements, take photographs and any other items that may be needed to start the design process.

2. Concept Drawings and Rough Budget

After viewing the project site and 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 and provide you with a rough budget for what the project may cost.

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 design 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

Upon completion of the design and material selections, we will obtain bids and create an exact price for the project. This process may take longer for larger projects. Once we have final pricing, we will meet with you to review the drawings, the scope of work, your material selections, and the final budget.

If approved, you will sign a construction contract and make a down payment. We will then schedule the project, review the timeline, and discuss other details with you. We may also discuss how to prepare your home for the start of remodeling.

5. Construction Phase

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

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 are completed and final cleanup is finished, the construction phase of the job will be complete, and you can enjoy the transformation of your home.

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

FINANCING OPTIONS FOR YOUR PROJECT

While some 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 stands ready to help with the financing any way we can. Below are some typical finance options for remodel projects:

1. We accept all major Credit Cards

Sometimes clients have cash back or rewards cards and wish to fund part of or all the project on a credit card. Credit cards may also be used for the initial down payment on the project. R Henry Construction does impose a surcharge of 2.9% on all credit card transactions pursuant to MN Statute 325G.051.

2. Standard & Deferred Installment Loans

R. Henry Construction offers quick approval loans up to \$100,000 through subsidiaries. These loans offer low monthly payments, competitive interest rates/APR, no closing costs, and no required collateral.

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

A Home Equity Loan (or Line of Credit) through a local bank is quite common and often the best way to finance a project. Although the process can take longer, the interest rates are usually reasonable. The bank may 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 in choosing the right lender for your project. Additionally, we will submit the plans to your bank and the appraiser. We will help explain the remodel project to them to ensure the appraisal you receive will reflect all the changes made in the remodel design, so you get the best possible appraisal.