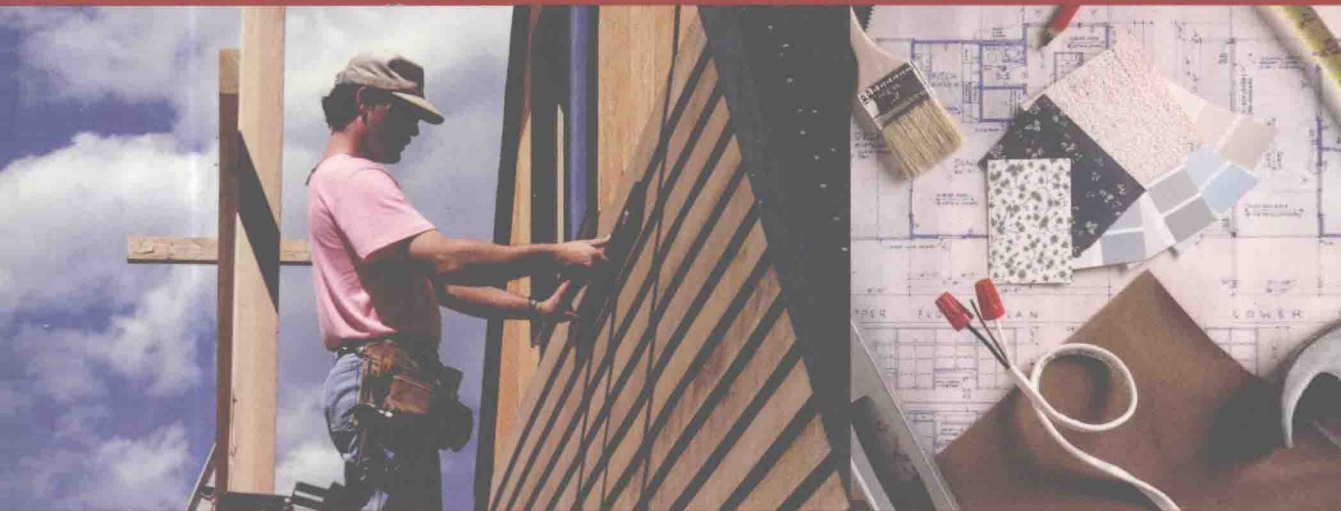


R. DODGE WOODSON

BE A SUCCESSFUL

REMODELING CONTRACTOR



- Tricks of the trade from an experienced contractor
- Build a profitable remodeling business
- Work effectively with employees and subcontractors
- Avoid common mistakes that can kill your business

Be a Successful Remodeling Contractor

R . D O D G E W O O D S O N

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*I dedicate this book to the most important people in my life,
who are: Adam, Afton, Victoria, Jon, and Nate.*

Introduction

Are you tired of pounding nails? Has your boss been giving you a rough time and very little money? Change it. Go into business for yourself as a remodeling contractor. Make some serious money without climbing on the roof. Are you an organized person who can perform as a business owner? If so, you don't need carpentry experience to make a solid income as a general contractor.

I have built as many as 60 single-family homes per year. My background includes remodeling, plumbing, land development, and real estate, but I have lived in and around the trades for about 30 years. This book will show you how to leave your job or step up to a higher level in your business interest to make some substantial income as a general contractor and remodeler. If you happen to be a carpenter, you have an added advantage. But, you don't need any trade experience to be a successful remodeling contractor.

The key to making money as a remodeler is organization. Other elements come into play, and they include the following:

- Field experience is very helpful.
- A good credit rating helps.
- Being able to take control of difficult situations is essential.
- Time management skills will add to your success.
- Having money in the bank never hurts.

All of the items I have just mentioned are major factors, but anyone can do this. You don't have to be a carpenter to be a remodeler. I am not one, and I've been doing

this since 1979! You have to be able to run a business and deal with subcontractors if you want to make this career work. It's not that hard for dedicated people.

What's in it for you? Most general contractors add approximately 20 percent to their cost for the cost of a job. You do the math for your area. In general, a \$20,000 job relates to a potential remodeler profit of \$4,000, or more. This is not a bad return for 7-14 days of work by others if you have the right crews.

The job is not easy. If you are not willing to do a lot of phone work at night, you might want to consider other options. Being a remodeler is stressful, but at the same time it is very rewarding. You can ride around town and say, "I remodeled that." Venturing into remodeling can take two main directions. You can be the person who is making the job come together as a hands-on remodeler, or you can take the white-collar approach. Both work, and the money is not bad.

I've done this a long time and am sharing with you my life experiences, which should save you a lot of trouble and lost money. Learn from my mistakes. That is what this book is about. I want to see my experience help you succeed as a reputable remodeler. Take some time to check out the table of contents and to thumb through the book. The forms alone are nearly priceless for a rookie. Really, this is your ticket to success by learning from my mistakes. I hope you enjoy the read.

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Going From Carpenter to Remodeling Contractor


You probably bought this book because you are interested in venturing into the construction and remodeling business. And what a business it is! The total value of all private construction work in this country in the year 2003 was about \$934 billion, with the residential side of the industry accounting for nearly \$470 billion.

Lots of people know that plumbers, electricians, carpenters, painters, and other trades people work evenings and weekends to make extra cash. Many of the trades people I've known, myself included, have moonlighted at one time or another as a way of easing into a full-time business. Can a remodeling contractor get started by working nights and weekends? You bet, and this chapter will show you how.

Remodelers originate from all walks of life. Many of them start out as carpenters, doing repair work or small remodeling jobs with an eye to becoming a full-scale contractor. I started out as a plumber and grew into remodeling. From there, I went on to build as many as 60 homes a year.

I've met builders who decided that their present occupation as a lawyer, real-estate broker, farmer, firefighter, or policeman was not for them, and so they left secure jobs for a shot at a new and exciting career. Some builders tire of new

PRO POINTER



There are lots of ways to enter the construction field: jumping right in and becoming a sole proprietor; joining up with some skilled trade associates to form a small company; or working with an established company while trying to pick up jobs on your own by moonlighting.

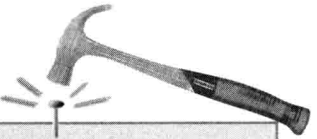
2 Be a Successful Remodeling Contractor

construction and turn to remodeling for a change of pace. So, most anyone can transition from whatever they are currently doing to remodeling. Making the transition is easier for some than it is for others.

If your background is in construction, you have an obvious advantage over someone who has never set foot on a construction site. While you may have never built a house or remodeled a bathroom on your own, working around other trades gives a good idea of what goes on during the construction and remodeling process. So, how can you leave what you are doing for a living now and enjoy being a remodeling contractor?

Getting started as a remodeler is not easy. Besides a small bankroll and some prior experience in construction, it will be very helpful if you have had some contacts with electrical, plumbing, and other subcontractors and equipment suppliers. And it would also be very helpful to have a relationship with a local bank, even if only to have a checking or savings account there. I'm sure that there are people with the financial resources to start a contracting business in a first-class manner. I never enjoyed this luxury. I had to start at the bottom and crawl up the mountain. At times it seemed as if the mountain was made of gravel, because every time I would near the top, I would slide back down the hill. But I persevered and made it. I think you can, too.

PRO POINTER



Field experience alone isn't enough to make someone a good remodeler. It sure helps, but there is a business side to remodeling that also needs to be learned.

Basic Needs

What are the basic needs for becoming a part-time remodeler? They are less than you might imagine. There are two different types of remodelers. One is the full-service general contractor—a person who hires all the tradesmen required for the job and uses few if any subcontractors. The other type is referred to as a “broker”—a general contractor who subcontracts all or most of the work to other “specialty” contractors (subcontractors).

If you operate as a “full service” contractor, you will have to hire your own tradesmen such as carpenters, electricians, plumbers, framers, and roofers. This means having to meet large weekly payrolls in addition to finding qualified workers and enticing them to work for you.