

## If you intend to remodel, upgrade, or add on to an existing structure, consider the following as a check-list:

1. When you take into consideration the purchase price and a broad estimate of costs for upgrading, these two items added together should not put you at the top of neighborhood value range. If you multiply your cost estimate by a factor of 30 to 40 percent, your estimate maybe more realistic. This still is a very conservative suggestion.
2. Cost of the project is not your only consideration. Consider that the time estimate is just that, an estimate. Double your time estimate and cross your fingers, because time management takes on a life of its own. Things that need to fall in place in order to allow you to come close to your time line, would consist of labor, materials / back orders, money, timing / scheduling, and permitting / inspections. Over which you have very little control!
3. If your consideration is to add on a bedroom to an existing three bedroom home, and you are on a septic system, even though you have added a fourth bedroom, you can only sell it as a three bedroom home. This will greatly affect future value. Each bedroom configuration, by Muni regulations, has to have a qualifying septic size. The short of this is, your modification or bedroom addition may also include having to put in a new septic system in order to meet Muni requirements / standards.
4. Make sure the CC&R's (homeowners' association rules and by – laws) allow you to accomplish your goals and plans. Some homeowner covenants do not allow certain types of remodeling, upgrading, and or additions.
5. Get ahold of an As-Built survey of the property and make sure you have the room to accommodate your plans. Make sure your plans don't infringe on setback regulations, and do not interfere with the existing water and septic systems.
6. Make sure your plans are approved by the Muni and you secure building permits. This goes not only for you, but also for all contractors you may hire.
7. Double check, no, triple check the contractors you may be thinking of hiring. They must be licensed, bonded, and carry adequate liability insurance for themselves and their workers. Not only ask for references of past clients, but call a number of these references.
8. Make sure you receive bids and take the time to understand each proposal. The lowest bid is not necessarily the best one.
9. Make sure, by written / contractual agreement, what you and your contractor are individually responsible for in your proposed working relationship.
10. Make sure you have in writing how you and your contractor will handle changes in plans, and cost over runs before you commit to any kind of a contractual agreement.
11. If you are expecting to be able to invest some of your time and labor into the project, make sure every aspect of your intentions are in writing to include defining the value of your time.
12. In your contract, have in writing a clear time table and expectation as to a completion date and should include penalties to be imposed if the expected time table is not met.
13. There should be, in writing, a clear understanding of what both parties consider to be a completed job.
14. Make double sure that all work is inspected and approved by the Municipality of Anchorage.
15. Be wary of "today-only" sales pitches.
16. Make sure, in your contractual agreement with your contractor, you have the last say in the choice of items and materials that are going to be used in this project.
17. Regardless of your intent to live in this home the rest of your life, your improvements should reflect the possibility that you may need to sell because life events or life changes dictate that you go in a different direction. The point being – don't overdo it!
18. Check into contractor's profiles – bbb.org

*Considering / enacting some or all of these suggestions could save you thousand!*

Note: If this article generates additional questions or a need for additional information, the following button will allow you to ask your question(s), request additional information or make comments. It is not my intent to bug you with unwanted phone calls, emails, or text messages! It is my intent to allow you to benefit from my 35+ years real estate activity and to give you a buying experience beyond your expectations!

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