

**TOP TEN WAYS FOR BUILDERS
TO GET THEMSELVES INTO TROUBLE
(Revised Edition)**

1. **Ignore Customer Complaints.**
This is how lawyers will put their kids through school and fund their retirement. Ignoring a customer's complaint does not make it go away. It only makes it worse.
2. **Failure to Explain at the Beginning that the Home Will Not be Perfect.**
Customers expect everything in their home to be perfect forever. If it is not perfect, they expect you to make it perfect or give them their money back. This is what I call the "Wal-Mart" or "Target" syndrome.
3. **Doing Business with a Difficult Customer.**
When your gut instinct tells you to leave at the first meeting, do it. Send the customer to a competitor and tell them that you are not good enough to do their work. Explain that they should insist that the competitor do the work. You do not have to take every job that comes along. It is no fun to work for free, or to buy materials for someone else's home.
4. **Failure to Get Written Change Orders.**
This is how lawyers fund annual vacations to Cancun, Mexico.
5. **Failure to Complete the Home on Time as Promised.**
If the job is not done when promised, and the homeowner has already moved out of their present home, you will give them an instant panic attack. Tell customers as soon as possible if the project will be delayed.
6. **Failing to Start the Job on Time or Not Showing Up When Promised.**
If you start the home two weeks after the promised beginning date, you have lost a lot of credibility with your customer. On remodeling, imagine all of the nice things the homeowner will tell their friends about you after the homeowner has spent the entire day at home when you promised to be there, and you do not show up. Customers are on earth time, not contractor time.
7. **Failing to Follow the Building Code.**
Even where the Building Code is not technically enforced, if there is a problem with the home, the consumer and their lawyer will turn to the Building Code. If you have not followed the Building Code, you are in big trouble.

- 8. Failing to Have a Good Contract with Terms that Protect the Builder.**
This includes a Pre-Lien Notice, Right to Quit and Arbitration Clause. Just because a contract has worked in the past when you never had controversy, it does not mean it's a good contract.

- 9. Taking Profit Out of a Job Before the Work is Complete.**
This is a gross misdemeanor, and grounds to lose your Builder's License. It is bad business practice and it will catch up with you.

- 10. Not Charging Enough Money for Your Work.**
There is no future in being the area's low price builder. A small margin on a job means that if something goes wrong, there is little cushion. If you want to work for free, stay home and get a good hobby.

©2004 Rinke-Noonan Law Firm
David J. Meyers
Rinke-Noonan
1015 West St. Germain St., Suite 300
P.O. Box 1497
St. Cloud, MN 56302
Phone: (320) 656-3512
Fax: (320) 656-3500
Email: dmeyers@rnoon.com