

HOME & GARDEN

How the economy affects renovations

By **TERESA G. GIONIS**
 Current Correspondent

What do these rocky economic times mean for local homeowners considering a renovation or addition? We asked the principal of **BOWA Builders'** D.C. team, who said there's good news and bad.

On the one hand, he said, the timing couldn't be better for securing a builder or contractor — and many may be willing to negotiate on price. "Now is the best time you can possibly imagine to get a renovation project started," said Rich Cassagnol, a District native.

The bad news? "Buyer beware," said Cassagnol. "Some contractors are in dire straits these days and may be offering homeowners what seems like a great value.

But keep in mind these contractors can fall out of favor with their creditors and go out of business. Their low prices may seem like a value, but you are taking a great risk."

Cassagnol warns that homeowners risk losing large deposits or even having their homes abandoned by insolvent contractors midway through the process. "Some homeowners find themselves with their houses torn up and their contractors gone. It is difficult to find any-

See **Renovation**/Page 39

one willing to come in, assume the risk and take the project over," said Cassagnol. The industry calls these homes "rescue projects."

To avoid getting burned or becoming a rescue project, Cassagnol says, homeowners must do due diligence: Conduct exhaustive research on whom they are

hiring and be wary of those offering to do projects at cost. "That is probably a bad sign," he said.

Like many in the construction industry, BOWA is experiencing some challenges, but Cassagnol says that in general things are going very well, and that the company is well-positioned to weather the storm. He advises other companies to increase their marketing and advertising and to find ways to differentiate themselves.

At BOWA, those strategies include green building incentives, extended craftsmanship and structural warranties, as well as the company's "On-Time Guarantee." Most clients' biggest fear is that projects will take longer and cost more than expected. "The guarantee gets people's attention, drives conversation and gets clients to make decisions quicker," he said.

BOWA has a number of active projects in Northwest Washington, including a 4,000-square-foot, 100-year-old row house on Q Street in Georgetown. The company is excavating the basement to create more headroom for additional bedrooms, an office and a new kitchen. In the backyard, it is modifying the garage structure to incorporate a pool house. The project involves challenges. For instance, workers had to conduct a four-sequence underpinning — a process that strengthens and stabilizes the foundation of the structure.

In general, the number of large-scale, high-end projects is dwindling in the area, says Cassagnol, but he maintains that the more basic projects, such as kitchen and family room bump-outs, are continuing like they always have.

If you are not ready to sink a great deal of money into an addition or costly renovation right now, there are other wise ways to invest in your home, he says.

Cassagnol's top advice is to make sure your exterior envelope



is intact and take steps to improve energy efficiency: by maximizing insulation, fixing the roof, improving drainage/guttering systems, and making sure windows are properly installed and caulked.

“For about \$350, you can get a home energy audit, and this is an excellent first step,” he said. “Discovering [even a small] a gap in your insulation, ... can improve your efficiency by 50 percent.”

All of these home maintenance steps, Cassagnol says, may add up to around \$2,000, but they yield fast returns when heating and

cooling bills go down



Bill Petros/The Current

BOWA Builders' Rich Cassagnol