

## **Change Orders**

Change can be exciting sometimes, and you see a lot of the same things over and over again while living in the same house. So, a little revamp here or a new paint color, is something that we can do. While we are rebuilding, your house is something we can help with too. These additional tasks are what we call Change Orders. For example, things like repainting an unaffected room or replacing unaffected flooring.

An important part of this process is talking to your Project Manager, especially if you can talk to them before the rebuild starts. If you have some idea of what you might like to change, please bring those up at your initial meeting with the Project Manager.

When it comes to changing things, we always get asked what it will cost? There are two possible answers.

If your change order results in an UPGRADE (Additional) cost, we will compute the cost of the upgrade plus our O&P allowed 20%. If the change order replaces the insurance budgeted scope, the insurance budget will be subtracted from the price. Then you will be presented with a change order to pay for the remaining balance.

If your change order results in a CREDIT (Decrease), we will compute the cost of the change order plus our O&P up to 20%. If the change order replaces the insurance budgeted scope, the insurance budget will be subtracted from the price. The credit resulting will receive an overhead charge of 10% to recover the cost of our time to write, document, and work with insurance on approved scopes and pricing. You will be credited the remainder.

After a change order is computed, your Project Manager will post it in BuilderTrend and discuss it with you. If you approve the change order and pricing, you can approve and sign the change order document in BuilderTrend. Upgrades will be asked to pay 50% of the balance at the start of the work and the remaining 50% due upon completion.

Change orders work will not be started without signed approval in BuilderTrend by the property owner.