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Group hopes to ease remodeling headaches

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By Misty Williams

From poor workmanship to outright contractor fraud, home remodeling jobs can become nightmares for some homeowners. But a Scottsdale-based company is hoping to take the headache out of home improvement for owners and contractors alike by helping them manage projects online.

Buildproof recently launched a Web service that protects both parties from financial risk by providing an independent bank that holds project funds until work is completed.



For homeowners, one of the biggest problems is contractors walking off with down payments, Buildproof co-founder Greyson Geiler said.

"That's a huge leap of faith," Geiler said. "The homeowner is taking all the financial risk just writing a check when nothing's been done."

With Buildproof, an owner puts a down payment into an account. He then gives the bank the OK to release funds as phases are completed.

At the same time, contractors can see money is already dedicated for a project.

Contractors often have trouble with owners forgoing the last payment or not paying for changes made to plans along the way, Geiler said.

"They kind of get caught doing extra things because they want to get paid," he said. "That's when a lot of these projects really go south."

Buildproof aims to improve communication, he said.

The Web site allows contractors to update progress made on projects, which homeowners can then track and compare with results they've seen.

For Valley resident Brenda Maloney, remodeling projects have become major headaches in the past.

Two separate contractors didn't finish a flooring project in her 20-year-old house. Hiring someone directly doesn't provide a homeowner with any safeguards, Maloney said.

"I'm trusting them to do a good job ... but there's not really any assurances there," she said.

She's now working with a contractor recommended by Buildproof and is seeing results.

The system is free to homeowners, while contractors pay 2 percent of a project's value.

It's money well spent, said Valley contractor Dave Rhem, who has used Buildproof about half a dozen times.

"Knowing that the homeowner has the funds is a very big plus," he said.

If they don't have the money, contractors end up losing money on labor and materials, he said. The fee is also a small price to pay compared with the time required to take someone to small claims court, Rhem said.

Buildproof is convenient too, Rhem said. In the past, he has had to return to a home to collect payment because the owner wasn't there when he completed the job. Now, money goes straight into his bank account when a project is complete.

It also gives homeowners time to look over the work that was done and make sure they're satisfied, he said.

