

78 TRG Transcript

Mike Stohler

What if you could be doing something smarter with your money that creates income, now, if you're wanting to get ahead financially, and enjoy greater freedom of choice, if you want a comfortable retirement, and you know you'll have more choices, if you can do more with your money, now, if you've wondered who else is creating ways to make their money work for them, and you want actionable ideas, honest pros and cons, and welcome to the Richer geek podcast work here helping people find creative ways to build wealth and financial freedom. I'm Mike Stohler, and in this podcast, you'll hear from others already doing these things, and how you can too.

welcome back to the richer geek podcast. How many of you have ever needed to hire a general contractor? Whether you're building or renovating? If you're working full time, this can be a daunting and mostly frustrating experience. How are they doing their job? are they keeping within your budget? Are they even showing up? Well, Paul, the chef ski and john crystal are here to help. They are the cofounders of great builds a completely free service that matches homeowners with top general contractors that have gone through a rigorous 10 step vetting process. They even stay by the client side, from initial call to finish remodel to ensure everything runs smoothly. All right, welcome back to the Richer geek, it is my pleasure to have Paul and John on the line with me and they are cofounders of great builds.com How you guys doing?

Great Buildz

Hey, doing well, thanks for having us.

Mike Stohler

All right, you know, it's a it's always fascinating to get people who come up with these concepts, or maybe it is a concept that's already out there that you think you can make. bigger, better, sexier, and all that sort of thing. So give me an idea of what great builds.com is.

Great Buildz

Yeah, sure, great builds is a free service that we started here in LA and growing throughout Ventura County in Orange County. And essentially what we are is a free service that matches homeowners with reliable, thoroughly screened general contractors. And in addition to that, we also support our clients and provide a personalized experience every step of the way to make sure that they are confident with who they hire, and also confident with the process from start to finish of any type of large scale renovation project.

Mike Stohler

Okay, so you guys mentioned one of my questions. Large scale. Explain that to those people that okay, is my swimming pool a large scale? Or is my kitchen remodel large scale? What? What's your gaming? Yeah,

Great Buildz

good question. So when we first started, we acknowledge the biggest pain point that we noticed in the industry. And certainly, tons of people get stuck with a bad plumber, or a black bad electrician. But on the bright side, at least most of those projects are done in a day in a few days. And worst case scenario, you do end up with a bad contractor, and it isn't too much that you have to deal with. For the most part, we decided that the biggest pain point was with general contractors. So rather than just a small flooring project, but if you're hiring a contractor for a bathroom, a kitchen remodel, or building a new home, anything like that, that's the time when you're working with the contractor for weeks, if not months on end, you're dealing with permitting with plans and the entirety of the construction project. So we thought if we have to pick a starting point, it would be with general contractors that whomever you choose to hire, you're going to be working with them for weeks, if not months on end, so we can ensure that the entire experience and that hiring process as is as simple and as easy as possible.

Mike Stohler

Okay, yeah. So, you know, that makes sense. I can, I can go on the phone book. That's my age. I'm sorry, I can go online and pick a plumber or I can go to any of the ratings company's Yelp and you know, you say okay, where's a plumber? When you have something very large number one, I'm I'm busy. I'm working I don't have time, I don't know where to start. Okay, I want to add on to the house. I've heard of these general contractor things, you know, so it's kind of like I can call you up. And you're going to find me just the GC part, and then he'll get the subs, or do you find every aspect of the?

Great Buildz

Let me jump in here? So, yes, so the problem is, and you really hit the nail on the head, how do you find a good contractor? And our analysis was, there's really only one way, good way to do that. Ask a friend, ask a relative, as somebody that's used a contractor in the past, that's a good way, because they'll recommend somebody that that did a good job for them. But the second best way kind of sucks. Because you mentioned it, you get, you know, the phonebook, you get you go online, you go you rifle through your junk mail. And here in Southern California, in LA County alone, there's over 20,000, licensed general contractors. So you're, you're kind of, you know, it's kind of a lottery, right? You don't know who to pick, they all have five stars, they all have great pictures. And when we start but right before we started this company, what we found was this really interesting statistic that kind of makes sense, but it's kind of glaring when you hear it. There was a survey done a few years ago, where they surveyed homeowners after they did a remodel, and they asked how was your experience. And over 50% said they had a negative experience with their remodel or their contractor. And that really was a, like a light bulb for me and John, what other company what other industry is there that 50% of the people that use that service are unhappy, and that industry, that business wouldn't be in business very long if you know, 50% of people aren't happy. So that that told us that, what we need to do is we need to make sure to match people who need to renovate with really good contractors, the 50% that are going to do a good job for them that are going to make them happy. If we could do that, then we'll achieve a goal. And that's that's sort of the genesis of Great Buildz.

Mike Stohler

Yeah. And it's fascinating, because it's most people, unless you've been doing this for a while, unless you're you've built, you know, three or four homes done a lot of projects. And I don't think that's a lot of people. They don't even know when they're being taken advantage of, or what their and I think even a bigger thing is what their rights are as the homeowner, when dealing with general contractors, you have like, for instance bonds, you know, performance bonds in these different bond requirements, all these different things that will make people spin and they're like going, I don't know what Mike covered. I've always heard that people were bonded and licensed. What does that even mean? And what are my rights? If something goes wrong? Because you know, the GC, if he's not vetted properly, is going to say, Nope, that doesn't matter. That doesn't count. The bond doesn't affect that, you know, so tell me some of the ways that I was looking on your site your I was looking at you actually are holding the hands if I could say it that way of the

homeowner to make sure that they're being taken care of and that the GCC has not taken advantage of them?

Great Buildz

Yeah, I think you touched on a really good point. And it's the knowledge imbalance that exists between homeowners and general contractors, contractors have been doing this for many years. And they know all the right things to say, and also how to convince their clients that they're worth whatever their bid is, whereas homeowners typically only renovate once every three to five years. So they certainly often don't have the experience to know what's what and how to pick one from the other. So beyond just finding the really good contractors that we invite into our network, I think the biggest one of the biggest value pieces of value that we provide to our clients is just someone that they can trust that they can talk to, we typically always start with our clients with a phone call just to start out 15-20, sometimes even 30 minutes, so we can learn as much as we can about our client, what their project is, what they're looking to do. And also we get an idea of what their experience is, and what additional resources we can help them with. And by that I mean, what costs are reasonable for this type of project? What's the right kind of material that I should choose for this type of project? These types of high level questions that clients don't even know the start or where to look to begin the process. So we are like to make sure that our clients are fully educated and fully prepared to make a confident hiring decision. And whether that means hiring one of the contractors that we refer, or if we can vet the another contractor that they've found on their own, as long as we know that our clients are working with reliable, honest, hard working professionals, that I think we're doing our jobs.

Mike Stohler

Now, how far do you take this process as far as holding their hands? Cause, you know, my question would be, you know, at some point, it's like, well, you're not legally obligated to answer some of these questions. There are some things once maybe a dispute arises. And you sit there and say, Well, you know, very good question, Mr. Mrs. You know, now you're getting into maybe something, it's out of your expertise. And that's something that I think you have to watch out for. So how does that?

Great Buildz

Well, the look, the idea is this. My background, and all the staffs background, they have some background in construction. But you're, you're absolutely right. Like, the contractor

really knows a ton. And everybody else, comparatively knows, much, much less. But what we found was, the bottom line is this. If you hire the wrong contractor, God knows what's going to happen. It's really not about the skills, they all have skills, it's about who they are as a person. But if you hire the right contractor, he's just going to answer the phone, he'll sit there and patiently explain it to you, you'll, you'll just have a much much better experience. He'll he'll take pride in the job, so on and so forth. As a matter of fact, what we found when we're looking for contractors to add to our network is the there's there's this pool of contractors, I don't know what percent of the really, really good ones. And those guys are really hard to find, because they don't advertise. And the reason they don't advertise is because they don't have to advertise because people keep recommending them to other people. So if you can find one of those guys, you're going to be in good shape. It's It's as simple as that. But on the other hand, if you start, you know, looking online, and so on and so forth, you just don't know. So our goal is like if we could just match people with with a good contractor that we know, they're going to do a good job for 90% chance that they're going to also have a good experience, because most of the other clients that the contractors then work for already had a good experience. Simple as that.

Mike Stohler

Yeah, it makes that makes sense. If you want to get to the point where the GCs that you have in your network and the trust, because you guys do a 10 step process. And I'll let you explain a little bit more in detail about that on who makes the grade is just reviews as is with, you know, and how that works. But it I agree that I've had some really good contractors, and I use them now. But I've had some bad ones. And and most of those you can't even find anymore, you know, the roadbeds was it catches up with them. So tell me a little bit about this 10 step verification process?

Great Buildz

Yeah, sure. So what we found is based on our background, and looking for contractors for our own work, and working in a professional capacity, we learned that there's a few quick things that you can check to screen for a good contractor. And there's some of the deeper dive items that are helpful as well, the easy stuff, some of that you've mentioned already. Are they licensed? Is the license clean? Do they have an active bonds of General Liability Insurance workers compensation? Those are the basic things, then if they pass all those high level tests, do some research, look up their name online, look up the owners online? Do they have good ratings across a number of different websites? Beyond that, we make sure that we interview multiple references for any contractor that we're working with some that have done work recently, so we can learn about what their experience was

during the process. And some that have done work in year, a year years prior to see that what was your experience? Looking back? How has it been living in the new space, that type of thing? Beyond that, I'd say one of the most important things that we do is we developed a 20 point code of conduct. And we require any contractor that we invite into our network to sign and agree to the terms within this code of conduct. And it's funny because if a good contractor was read it, it's none of it's surprising. None of it's difficult for them to agree to it's things like yes, I will agree and confirm that I will have a crew all day every day until the project is done. I will confirm that I put any change orders in writing and get a commitment from the client before moving forward with the work. I commit to not taking on too many projects simultaneously. So I can ensure that no none of my active projects encounter delays, right, and the list goes on from there. But we noticed that with our thorough screening process, as well as requiring our contractors to agree to the code of conduct, that allows us to ensure that we're only inviting the best contractors into our network, referring the best contractors to our clients, and ensuring that the work is done effectively, productively, and so on.

Mike Stohler

Yeah, I think that's very important. I wish we had done this a couple months ago, because I have a good friend and, you know, see, that's, I could tell you the stories about his GC. Yeah, as we're golfing in the end, he's, he's venting. And it has it's had something about very little work was getting done, but he still wanted more money. And he was just very frustrated, you know, it's like, he's not doing anything. And yet he wants another draw, he wants another draw. And, and he kept going on and on. And, and I was thinking about him. But how all of this could have been alleviated if he had chosen one of your GCS.

Great Buildz

And not only that, but those kinds of frustrations, right. When you want to pull your hair out, as a consumer, as a client, you really have no one to talk to the cut, not gonna talk to the contractor, you might vent to your spouse, but that doesn't help. So the idea is, because we're going to stay involved with our clients throughout the process, that gentleman that you're talking about, if they had frustration, could have called our staff, and vented and that's perfectly fine. As a matter of fact, we want that. And then we would go, we would then pursue the issue, we might talk to the contractor and say, hey, why is this happening? How do we resolve this, you know, contractor that we really want you to make, you know, Mike happy. And you know that if you do so we will continue to give you leads tomorrow and the next day in the next day. So they, they're a little bit more likely to jump when we ask them to, because they know we're a client, where a client, we continue to provide them clients over and over and over again. So we want that we want you know,

we want the homeowner to address any issues with us if they have any, and we're more likely to be able to get those resolved.

Mike Stohler

Yeah, it sounds really good. Now. We're talking about homeowners. Now what if I am an investor in any issues with? Can investors call you? Or do you really want just homeowners? It doesn't matter?

Great Buildz

No, it doesn't really matter. It's anybody that needs a general contractor. But But I'll be frank, because I've done some investing in the past to an investor wants a certain kind of general contractor, ie, a low price general contractor, right? We're not let's not, you know, beat around the bush. However, what we do is, as contractors come into our network, we ask them about their pricing. We asked their references, and we get a sense for Hey, you know, what's the average kitchen remodel that you do, and some contractor will say, around 40. And some contractors will say around 70. Just, you know, it's materials, its clients, it's everything else. So we put them in buckets, we put contractors into the \$1, sign bucket \$2, sign bucket, \$3 sign bucket, so there's no point and if you know LA, there's no point sending a \$1 sign bucket guide to Beverly Hills, and no point in sending at Beverly Hills contractor to somewhere where they don't belong. So we try to we're really we call ourselves a matchmaker, because we are trying to create a good match that way.

Mike Stohler

Yeah, that makes sense. Yes. In my in my flips, and in my residential, it's, it's how much you know, the quality doesn't quite have to be there. It's how much so that that makes sense a lot. But I also need it done quickly, and not three or four times as long. So I think there's a very good compromise in the future. What is your plans? I know you're you're just in Ventura. And that type of area. Outside of California, you want to move upwards, you know, north and south you want to take over? What are your plans?

Great Buildz

Thank God, john. Sure. Yeah,

so currently We service all of the Los Angeles County most of Ventura County, most of Orange County. We firmly believe that there is enough opportunity in these areas alone. There are tons of homeowners looking for good contractors, and also tons of homeowners getting screwed over by bad contractors. So if we can ensure that every homeowner in Los Angeles is only working with good, honest, reliable contractors, then Mission accomplished. That being said, there are also tons of homeowners that Everywhere else that have the same issues. So I'd say our short term plan is to continue scaling and growing within our current network. Within the accounting, as I mentioned, growing on from here, it's an obvious progression to go down into San Diego as well keeping it relatively local. Thereafter, we're looking at expanding into the bay area and Sacramento, or there's a lot of remodeling business going on, there's a lot of need for it. And I'm actually from the Bay Area up near San Francisco, so wouldn't mind having the opportunity to visit home more often?

Mike Stohler

Absolutely. And I think especially in the areas that you serve, there's not a lot of building. It seems like these are older homes. Because the land is so expensive, you can't. And it seems like you could probably just you know, remodel, then someone else moves in, there's another remodel. So I think I think you guys have you've hit it on the the head that there's probably just a lot of that you guys keep busy just generation after generation of just remodeling the same houses over and over again. And so this is free for get this right, this is free for the consumer for the homeowner. I just want to verify that. And how do when the last questions I'll give you guys? How do people find you?

Great Buildz

Right, so it's, they can find us at great builds calm, that's GREATBUILDZ. So it's got a z at the end greatbuiltz.com. If they want to email us, I'm Paul at greatbultz. JOHN is john at greatbuldz.com And yeah, that's right, you hit the nail on the head, it's free for homeowners, consumers, we'll match them up with as many contractors as they need to find someone that's, that's good for them, the contractors will go out and give free estimates. So there's no obligation till they pick somebody and they can go with them. And the way we get paid is if one of our contractors actually succeeds in doing a deal and securing a contract with with a client, then we'll have them pay us kind of a success fee type commissions. So we don't charge them anything until they actually get a project as well. So that everybody is aligned.

Mike Stohler

It sounds fantastic. It's it's something that I think I know, there's other services, but it's usually pay to play, and then you still have to pick your own, there's no one holding your hand. And I think that's very, very important nowadays, because it's just remodeling your house if, if my viewers as and listeners have done it, it's just so stressful. It's so nice, in a lot of aspects of our lives, okay. You guys do it. And then I trust that you guys are doing your job, and that it will be mostly a stress-free type of experience. And I think that's fantastic. I think that's what we need it you know, I'm, I'm stressed enough, I'm busy enough. And if that's one of the things is like you pull it off, I know so many friends are they're putting off the remodel they're putting off because it's I don't have the time I don't have it's just too stressful. And I think you guys have really gotten really good service that will alleviate that stress, which is what all of us need in our lives. Well, I appreciate Paul and John, you guys joining me. And again, everybody. It's great builds.com with the Z. And thank you for listening to another episode of the richer geek. Take care.

Thanks for tuning in to the richer geek Podcast, where we're helping others find creative ways to build wealth and financial freedom. For today's show notes, including all the links and resources from our show, and more information about our guests, visit us at www.Richergeek.com slash podcast. And don't forget to jump over to Apple podcasts, Google Play Stitcher, or wherever you get your podcasts and hit the subscribe button. share it with others who could benefit from listening and leave a rating and review to get the podcast in front of your eyes. I appreciate it. Thanks for listening