REAL ESTATE EDUCATION SERIES

RE/MAX Properties

Being Your Own General Contractor

The opportunity, the responsibility, and the decision

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Acting as your own general contractor means managing a remodel or new build: hiring trades, coordinating work, tracking costs, and seeing the project through completion. You may gain control and reduce some fees, but you also take on the management work and risk.

1 Understand the job you are taking on

You organize plans, bids, contracts, materials, schedules, inspections, and payments. Trades still need direction and coordination. Managing the project does not mean you are qualified or authorized to perform every trade yourself.

2 Weigh the potential benefits

Direct involvement can give you more control over selections, spending, and communication with trades. You may avoid some general contractor charges. Actual savings depend on pricing, purchasing, efficiency, mistakes, and the value of your own time.

3 Be realistic about the risks

An incomplete scope, missed delivery, failed inspection, or scheduling conflict can create rework and delay. You may lose a professional builder's trade relationships and purchasing advantages. Responsibility for resolving gaps between trades can fall to you.

4 Check local permission before committing

Ask the building department whether your project qualifies for owner-builder management, who must hold each permit, and which licenses are required. Rules vary by location and intended use. Confirm requirements for zoning, utilities, septic, and HOA approval where relevant.

5 Decide whether the role fits your situation

You need time for site visits, calls during business hours, decisions, and problem solving. Complex structural work, a tight move-in date, or limited construction experience may favor a professional general contractor. Paid consulting or project management may be another option.

Colorado Springs area: a homeowner permit has limits

PPRBD describes homeowner permits for qualifying work on an owner's primary residence. It says homeowners may not pull a permit for a contractor hired to do the work. Confirm the permit route with PPRBD before hiring or starting; do not assume owner-management authorizes trade work.

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Plan the scope, budget, team, and schedule

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The best time to control cost is before construction starts. Complete the design, clarify who is doing each task, and confirm the funding and permit process before committing to major purchases.

6 Create a complete scope and set of plans

Define the work room by room or trade by trade. Identify materials, finishes, fixtures, and performance expectations. Obtain qualified design and engineering help where needed. Clear drawings and specifications make bids easier to compare and reduce disputes.

7 Build a full budget with a contingency

Include design, engineering, permits, site work, materials, labor, rentals, disposal, utilities, insurance, financing, and temporary housing if needed. Set aside a separate contingency for unknowns. Track committed costs, paid costs, and the estimated cost to finish.

8 Confirm financing and insurance early

Ask your lender whether it allows an owner-managed project and how draws, inspections, and required cash reserves work. Ask your insurer about construction coverage, liability, and injuries. Discuss workers' compensation and contractor coverage with qualified advisers before work begins.

9 Hire trades using comparable written bids

Give each bidder the same plans and scope. Review experience, references, applicable licenses, insurance, exclusions, allowances, and availability. Verify credentials with the issuing authority and coverage with the insurer; the lowest price may leave important work out.

10 Use contracts and a realistic sequence

Put scope, price, payment milestones, schedule, change procedures, cleanup, and warranty terms in writing. Coordinate dependencies: site and foundation, framing and enclosure, rough trades and inspections, insulation, finishes, and final approvals. Adapt the sequence to the actual project.

Do not treat the avoided contractor fee as guaranteed savings

Compare two complete budgets: professionally managed and owner-managed. Include any added consulting, insurance, equipment, financing time, rework, and your own management time. Keep contingency funds available rather than spending them on optional upgrades.

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Run the job carefully and finish with complete records

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Once work begins, consistent communication and documentation help protect the budget and the finished result. Make decisions promptly, verify progress, and keep an organized project file.

11 Coordinate work and monitor quality

Maintain a rolling schedule of upcoming trades, deliveries, inspections, and decisions. Visit the site regularly and document progress with notes and photos. Resolve conflicts before the next trade arrives. Consider an independent construction consultant for quality reviews.

12 Get inspections before covering work

Confirm the required inspection stages with the permitting authority. Do not conceal work before required approval. Plan for correction time and reinspection. A code inspection serves a different purpose from your own quality review or a contractor's warranty.

13 Approve changes and payments in writing

Record the price and schedule effect of a change before authorizing it. Tie payments to documented progress and contract terms, and avoid paying ahead of verified work. Have a Colorado construction attorney advise on lien notices, waivers, disputed work, and payment protections.

14 Manage site safety and unexpected conditions

Set clear expectations for access, housekeeping, protection of occupied areas, and communication about hazards. Use qualified specialists for structural, electrical, gas, and other hazardous work. If hidden damage or suspect hazardous materials appear, stop the affected work and get qualified advice.

15 Close out the project before calling it done

Complete a punch list and obtain required final inspections and any required occupancy approval before moving in. Collect permit records, warranties, manuals, receipts, approved changes, and payment documentation. Confirm final payment conditions and retain a complete file for future maintenance or sale.

Make the decision before you make the commitment

If you have the time, organization, funding, and support, owner-management can be workable. Ask Doug Petersen how his real estate and homebuilding experience can help you assess the property and project. Agree separately on the scope of any construction consulting services.

Local reference: PPRBD Homeowner Permit Information (reviewed October 30, 2026). General educational guide; local rules, lender terms, and insurance requirements vary. Obtain project-specific advice from the appropriate professionals.

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