

FREE GUIDE: 5 Common Construction Pitfalls for Condo Boards & How to Avoid Them

Protect Your Property, Stay on Budget, and Keep Your Project on Track

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As a condo board member, you have a **fiduciary responsibility** to oversee capital improvements and renovation projects. But **without expert guidance, construction projects can quickly become a nightmare**—with delays, unexpected costs, and disputes with contractors.

This guide will help you **identify and avoid five of the most common pitfalls condo boards face** when managing construction and renovation projects.

1. Poor Contractor Selection

The Pitfall:

Many condo boards choose the **cheapest contractor** or rely on a **recommendation without proper vetting**. This can lead to poor workmanship, delays, and hidden cost overruns.

How to Avoid It:

- Conduct thorough due diligence Check contractor licensing, insurance, references, and past project history.
- Get multiple bids Avoid automatically selecting the lowest bidder.
- ✓ Hire a project manager An independent owner's representative can help you evaluate contractors objectively.

2. Incomplete or Ambiguous Contracts

The Pitfall:

Signing a contract **without clear scope**, **deadlines**, **or penalty clauses** leaves the board vulnerable to disputes and unapproved change orders.

How to Avoid It:

- **✓** Use detailed contracts Include a clear Scope of Work, milestones, deadlines, and payment terms.
- ✓ Include penalties for delays Ensure contractors are accountable for completing work on time.
- ✓ Have an expert review the contract A construction project manager or attorney can ensure your interests are protected.

3. Unforeseen Budget Overruns

The Pitfall:

Many projects start with a **low estimate** but quickly escalate due to **hidden costs**, **change orders**, **or mismanagement**.

How to Avoid It:

- ✓ Create a detailed budget Factor in contingencies (10-15%) for unforeseen issues.
- Avoid vague allowances Ensure material costs are clearly defined.
- Monitor spending regularly An independent construction manager can track costs and prevent surprises.

4. Lack of Communication & Oversight

The Pitfall:

Without **regular updates and inspections**, boards often find out too late that the project is behind schedule or off track.

How to Avoid It:

- Schedule regular progress meetings Weekly updates keep the board informed.
- ✓ Demand progress reports Contractors should submit status reports with photos.
- ✓ Hire an owner's rep A construction manager ensures oversight and protects your investment.

5. Delays & Permitting Issues

The Pitfall:

Many boards underestimate the time required for **permits, inspections, and approvals**, leading to **costly delays**.

How to Avoid It:

- Work with professionals Architects and project managers know local regulations.
- ✓ Start permitting early The process can take weeks or months.
- ✓ Plan for inspections Delays often happen when inspections fail due to code violations or incomplete work.

How Orion Project Management Can Help

At Orion Project Management, we represent condo boards and commercial property owners throughout South Florida. We aim to ensure your construction projects are completed on time, on budget, and without stress.

- ✓ Expert contractor selection & negotiation
- ✓ Independent project oversight
- ✓ Budget & schedule management
- ✓ Compliance & permitting assistance

Get a Free Consultation for Your Next Project!

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• BONUS: Schedule a free 15-minute consultation and get a customized project risk assessment!