



# Who Is Your Customer?

Most of us have seen projects where the Owner you know and love decides to sell the project to someone you've never met or ever would have bid before the project started. CBI has recently been involved in some troubling projects where replacement Owner issues may have been avoided.

Such issues are always best addressed before contract signing. **ALWAYS ASK** the Owner if they have plans to sell the job before completion. Invariably, the answer is a firm "NO." But, dive deeper.

- Add a contract clause stating that the project MAY NOT BE SOLD during the course of construction unless you, as contractor, interview, underwrite, and agree to the substitution of the buyer.
  - This may conflict with contract terms and your attorney should wordsmith such a clause.
  - Consider language to stop work without penalty if your requirements cannot be met.
  - Underwriting the potential buyer should be the same as analyzing any unfamiliar owner.
    - Meet the buyer face to face.
    - Explore their experience and financial wherewithal.
    - Check for an abundance of lawsuits, liens, or other issues elsewhere.
    - Be aware of a hesitancy to share information.
- You may elect to do nothing. While we do not recommend this approach, it is understandable. In this marketplace, we contend your negotiating power has never been stronger and waiving all rights to be forced to work for some unknown party without investigation may not be prudent.

**REMEMBER, you** decide how to proceed, with or without conditions. Make your determination fully illuminated on your new client and how your organization meshes with their philosophy.

As always, we are here to be of service. THANK YOU for your business.

Dave McKee, President



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