

To Build or Not to Build Part 2

First, I want to be sure and stress this point. When I speak of the challenges of building here in the Baja I do not want anyone to think these problems only occur for the foreigners. I have several very good Mexican friends here that are encountering similar problems that I have. In fact they seem to endure more of these problems because they choose to take the cheaper route when it comes to building.

Secondly, having done or studied construction in several areas of the world I have found everywhere has their problems. The best solution anywhere then, would to be better informed and take those precautions where possible.

I cannot emphasize enough that using referrals to find your architects, engineers, contractors, avanils (cement workers) plumbers and electricians is probably the best way to avoid a lot of problems. Many of the less experienced contractors and workers mean well when they give you a bid and schedule but that does you no good as they go over budget and the schedule. I also used a fairly well experienced architect once to draw up a hotel the only problem came with his budget as his experience came from Mexico City and what he said it was to cost at first was remarkably cheap. I cautioned him, and upon investigating the cost of building his design here in Southern Baja he tripled his projections! Make sure the person is experienced here locally where you are to build.



This also brings up another point. I believe if you want to keep your costs down, have fewer hassles and end with a great finished project. You should work with the materials locally available and designs you or your builders know. You can be pretty creative and find people that have and can build arches, domes, “foam homes”, pools, waterfalls, custom tile, cabinets, rock work and so on. Just be sure that these are the people you hire if that’s what you need.

Another tip is to order your materials yourself and you will receive any discounts or “kickbacks” from the contractor supply stores as well as if you deliver it to your site or home there will be no confusion over who “owns” the materials if a job dispute arises.



A very good friend of mine had ordered steel to be sent to his contractor’s yard for custom steel fabrication and when a job dispute arose, the contractor claimed ownership of the materials. It was a long and expensive battle to get his materials back.

After you have decided on your architect, engineers if necessary and contractor or workers if you are doing the contracting of your own home, then you are ready to begin right? Wrong.

Now you need to prepare at least some basic contracts so as to

protect yourself better. You will definitely need one with your architect and or your contractor and be sure to specify what is to be done, to what specifications of quality and as to when. The one additional important ingredient to have in your contracts are a penalty clause that spells out what is to happen if one is late, over budget or under the specified quality when completing the work. By having a penalty clause or clauses you will have much less difficulty in enforcing your contract if trouble does arise.

I recommend that you include a grace period of some time and possibly a percentage of over budget that is acceptable because construction anywhere seems to take longer and costs more. Yes, it is wise to have this done by an abogado (attorney) however on smaller projects you can have someone who can write in Spanish to create a simple contract with a place for a testigo (witness) or two to sign.

I have had several contractors or workers say they wouldn't sign such a contract which only tells me they never intended to get the work done on time or for budget. The contract will filter out those that are not professional and people not of their word. I have used this several times and never had problems once the agreement is made. Why ? Because as is anywhere an agreement is only as good as the people believe it to be enforceable. The locals generally believe that when signing a contract that it is for real.



I hope that you find this information helpful. In my next article I will discuss several other pitfalls to avoid. One of the biggest is that as a property owner under Mexican law you are the employer of all employees whether you are using a contractor or not. YOU are responsible for paying the seguros (Worker's comp insurance). I will also discuss the obtaining of your building permits in the next article as well.

I have one other quick note to add. Many people have emailed me for the name of the lawyer I mentioned in my previous article. I did not and cannot give out her name. She has asked that I not, for she is very busy and works for the state government and cannot work for others. She does to continue to advise me when she can. If you have encountered specific problems or have any questions please feel free to email me at Jaime@bajainsider.com

Jamie 

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