

PROPERTY OWNER ADVISORY SERIES

BEFORE YOU RENOVATE

A Sabah Property Owner's Survival Guide

How to protect your money, your time, and your sanity when renovating your home or commercial premises.

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The Story You Already Know

You have just acquired your property — whether a newly built unit or a resale home. You want to make it yours. You need renovation works: perhaps a new kitchen, bathroom retiling, partition walls, built-in cabinets, repainting, electrical rewiring, or a more substantial reconfiguration.

You ask around. A friend recommends a contractor. A neighbour had some work done and it “looked alright.” You find a name on social media or through an advertisement. The more diligent among you might check the CIDB website — only to find hundreds of registered contractors, with no practical way to assess which of them is competent, available, interested in your modest renovation job, or trustworthy with your money.

You settle on a contractor. Perhaps you approached two or three, but their quotations were presented differently — different formats, different scopes, different inclusions and exclusions — making comparison impossible. As a layman, you choose based on instinct, comfort, and trust. And you pray.

The contractor asks for advance payment. Perhaps thirty per cent. Perhaps fifty. Sometimes sixty per cent of the total quoted price — before a single tile has been laid. You pay, because the contractor says the money is needed to purchase materials.

And then the miserable journey begins.

The contractor appears on the first day. Some materials are delivered. Work commences. But somewhere between ten and fifty per cent completion, the contractor's attendance and attention begin to decline. Days pass without anyone on site. Phone calls go unanswered. Messages are read but not replied to. The work sits half-done for weeks, then months. Meanwhile, at the beginning of the work, the contractor kept requesting additional payments — citing material costs, unforeseen conditions, price increases — and you, wanting the work to progress, kept paying. In effect, you have been financing the contractor's cash flow, not your renovation.

The work that is completed is shoddy. Tiles are uneven. Paint lines are crooked. Measurements are wrong because the contractor misunderstood what you wanted — and now it must be demolished and rebuilt. The build-demolish-rebuild cycle consumes time and money with no end in sight.

In the worst cases, after you have paid most or all of the quoted price, the contractor simply does not come back. Perhaps the endless changes exhausted their patience — or their financial capacity. You are left with a half-finished property, no contractor, and the devastating realisation that you must find someone else to complete the work — and pay again for what you have already paid for.

“By the time it is over, you have paid double the initial cost and wasted three to five times the original construction time. Your ‘newly acquired’ property has become a monument to frustration.”

This story is not unusual. It is the norm. And it does not have to be.

The Problem

Why This Keeps Happening

The renovation nightmare is not caused by bad luck. It is caused by a structural imbalance of power, information, and accountability between the property owner and the contractor.

No defined scope of work

The owner describes what they want in general terms. The contractor interprets it in their own way. There are no detailed drawings, no written specifications, and no agreed measurement of the work to be done. When the outcome does not match the owner's expectation, both parties blame the other — and the demolish-rebuild cycle begins.

No comparable quotations

Each contractor quotes in their own format — some by lump sum, some by room, some with a vague list of items. Without a common basis of description and measurement, the owner cannot compare like with like. The “cheapest” quote may exclude half of what the owner expects. The “most expensive” may include everything. The owner has no way to know.

Excessive advance payment

When the contractor receives fifty or sixty per cent of the contract price before meaningful work is done, the financial incentive to complete the work diminishes drastically. The contractor has already been paid for work not yet performed. If another, more lucrative project appears, your renovation drops to the bottom of the priority list — because your money is already in the contractor's pocket.

No written agreement

Most residential renovation works in Sabah proceed on the basis of a verbal agreement or, at best, a simple quotation accepted by WhatsApp message. There is no written contract specifying the scope of work, the price, the payment schedule, the completion date, the defect liability period, or what happens if either party defaults. When things go wrong — and they will — there is nothing to enforce.

No independent verification

The owner has no independent person to verify whether the work is done correctly, whether the materials are as specified, whether the quantities are accurate, or whether the contractor's claims for additional payment are justified. The owner is entirely dependent on the contractor's own assessment of the contractor's own work.

No accountability mechanism

Without a written contract, defined milestones, and a structured payment mechanism, there is no practical way to hold the contractor accountable for delays, poor quality, or abandonment. The owner's only recourse is pleading — or litigation, which is disproportionately expensive for most renovation-scale works.

The Antidote

How to Protect Yourself: A Step-by-Step Guide

The following measures will not guarantee a perfect renovation. But they will dramatically reduce your risk, protect your money, and give you practical tools to manage the process. None of these measures is complicated. All of them are within your reach as a property owner.

Step 1: Define What You Want — Before You Approach Any Contractor

Before speaking to a single contractor, invest the time to define your renovation requirements in writing. This does not need to be a professional architectural drawing — though for larger renovations, engaging a designer or architect is money well spent. At minimum, prepare a written description of every room or area to be renovated, specifying: what work is required (demolish existing tiles and retile, install new partition wall, rewire electrical points, etc.); the materials you want (tile type and approximate size, paint brand or quality level, cabinet material, etc.); and any specific dimensions or configurations.

Take photographs of the existing condition. If possible, sketch the layout you want. The more clearly you can communicate your requirements, the less room there is for misunderstanding — and the fewer costly demolish-rebuild cycles you will face.

“The clearest scope of work is the strongest protection against misunderstanding. What is not written down does not exist.”

Step 2: Get at Least Three Quotations — On the Same Basis

Approach at least three contractors and give each of them the same written description of work. This is critical: if each contractor is quoting against the same scope, you can compare prices meaningfully. If you give each contractor a different verbal description, you are comparing apples with durians.

Ask each contractor to provide their quotation in an itemised format — not a single lump sum. Each item of work should be separately priced, with a description of what is included. This allows you to see where the differences lie. One contractor may price tiling higher but electrical work lower. Another may include items that the first has excluded. An itemised quotation gives you visibility.

If the quotations vary by more than twenty to thirty per cent for the same scope of work, investigate why. The cheapest is not necessarily the best — it may be cheapest because it excludes essential items or uses inferior materials. The most expensive is not necessarily overcharging — it may include contingencies and quality provisions that the others have omitted.

Step 3: Check the Contractor's Track Record

Before appointing any contractor, ask for references from at least two previous clients for similar renovation work. Contact those clients. Ask: Was the work completed on time? Was the final cost close to the quoted price? Was the workmanship satisfactory? Would you use this contractor again? Did the contractor complete the defect rectification? These five questions will tell you more about the contractor than any registration certificate.

Check whether the contractor has a valid CIDB registration. Whilst CIDB registration alone does not guarantee quality, it indicates a minimum level of organisational legitimacy. For renovation works, a G1 or G2 registered contractor is typically appropriate.

Step 4: Insist on a Written Agreement

This is the single most important protective measure. Before any work begins and before any money changes hands, execute a written agreement that covers, at minimum: a clear description of the scope of work (attach your written description and any sketches or drawings); the total contract price and what it includes; the payment schedule tied to milestones (see Step 5); the agreed completion date; a defect liability period (typically six to twelve months) during which the contractor must rectify defective work at no additional cost; and the consequences of delay or abandonment.

This does not need to be a complex legal document. A clear, plain-language letter of agreement signed by both parties is sufficient for most renovation works. The act of writing it down forces both parties to confront and resolve ambiguities before work begins — not after money has been spent and walls have been demolished.

RED FLAG: REFUSAL TO SIGN

If a contractor refuses to sign a written agreement, do not engage that contractor. A contractor who is unwilling to commit in writing to the scope, price, programme, and quality of their work is telling you something important about how they intend to conduct the project.

Step 5: Structure Your Payments to Protect Your Money

This is where most property owners lose control. The principle is straightforward: **never pay ahead of the work**. Your payments should follow the work, not lead it.

A reasonable payment structure for renovation works is: an advance payment of no more than ten to fifteen per cent of the contract price, sufficient for the contractor to mobilise and procure initial materials; subsequent payments tied to verified completion of defined milestones (for example, thirty per cent upon completion of all demolition and structural work; thirty per cent upon completion of

tiling, plastering, and electrical rough-in; twenty per cent upon completion of all finishes, fittings, and painting); and a final retention of five to ten per cent held for the defect liability period and released only after satisfactory rectification of any defects.

“Never pay more than the value of the work that has been properly completed. The contractor who has been paid in full before the work is finished has no financial incentive to return.”

CRITICAL: RECEIPTS AND RECORDS

Obtain a signed receipt for every payment. Record every payment with the date, amount, and the milestone it relates to. Maintain a simple running account showing total contract price, total paid to date, and balance remaining. This record is essential if disputes arise.

Step 6: Document Everything

From the first day of work, take photographs of the progress at least weekly. Record in a simple notebook or phone note: the date, who was on site, what work was done, any instructions you gave, and any issues raised. If the contractor requests a change or additional payment, ask for it in writing — a WhatsApp message is sufficient — and respond in writing.

This documentation serves two purposes. First, it forces clarity: when you write down an instruction or a complaint, both parties have a record of what was said. Second, it provides evidence: if the project deteriorates into a dispute, your contemporaneous records are your strongest asset.

Step 7: Manage Changes Strictly

Changes during renovation are the single most common cause of cost and time overruns. Every change you make — moving a wall, changing a tile selection, adding an electrical point, reconfiguring a cabinet — has a cost and a time consequence. The contractor is entitled to be paid for additional work, and the completion date should be adjusted to reflect the additional time required.

Before instructing any change, ask the contractor to provide a written quotation for the additional cost and the additional time. Agree to both in writing before the change proceeds. Do not instruct changes verbally and then dispute the additional cost later — this is the genesis of most renovation disputes.

If you find yourself making frequent changes, pause and reflect. It usually means the scope of work was not adequately defined at the outset (Step 1). It may be worth stopping, redefining the scope properly, and then proceeding — rather than accumulating changes that compound in cost and programme impact.

Step 8: Know When to Seek Professional Help

For renovation works above approximately RM500,000 in value, or for any works involving structural modifications, the cost of engaging a professional to assist you is justified and may save you many times the fee. A Consultant Quantity Surveyor (CQS) can prepare a clear scope of work and itemised cost estimate, enabling you to benchmark contractor quotations against an independent professional assessment. An architect or interior designer can prepare proper drawings and specifications, eliminating the ambiguity that causes the build-demolish-rebuild cycle. For works involving structural walls, columns, or beams, a Professional Engineer's input is not optional — it is legally required under the building by-laws and is essential for safety.

The professional fee for a renovation-scale engagement is typically a small fraction of the potential overspend caused by poor scope definition, unverified contractor claims, and the demolish-rebuild cycle. It is not an overhead — it is insurance.

Quick Reference

The Property Owner's Renovation Checklist

Before approaching contractors: Write down your requirements in detail. Photograph existing conditions. Sketch layouts if possible. Set a realistic budget with a 15–20% contingency.

When obtaining quotations: Approach at least three contractors. Give each the same written scope. Request itemised quotations. Compare on the same basis.

Before appointing: Check references from previous clients. Verify CIDB registration. Confirm the contractor is available to start and complete within your timeframe.

Before work starts: Sign a written agreement covering scope, price, payment milestones, completion date, and defect liability period. Pay no more than 10–15% as advance.

During the works: Photograph progress weekly. Keep a written record of instructions and issues. Pay only against verified milestones. Get written quotations for any changes before instructing them.

At completion: Inspect all work with the contractor. Prepare a written defect list. Withhold final retention until defects are rectified. Obtain receipts for all payments.

After the defect liability period: Inspect again. Release the retention only if all defects have been satisfactorily rectified.

A Final Word

Renovating your property should be an exciting process — the transformation of a space into something that is truly yours. It should not be a nightmare that costs you double and takes five times longer than it should.

The measures set out in this guide are not complicated. They do not require legal expertise or construction knowledge. They require only discipline: the discipline to define what you want before you start, to compare quotations on a fair basis, to insist on a written agreement, to structure your payments so that your money follows the work, and to document everything.

The contractor who is competent, honest, and professional will welcome these measures — because they protect the contractor as much as the owner. A clear scope means fewer disputes. A written agreement means both parties know where they stand. Milestone payments mean the contractor is paid fairly for work properly done.

“The property owner who is prepared, informed, and disciplined will always have a better renovation experience than the one who relies on hope, trust, and prayer.”

ENGAGE PROFESSIONAL SUPPORT

A Consultant Quantity Surveyor (CQS) registered with the Board of Quantity Surveyors Malaysia (BQSM) can assist property owners with scope definition, cost estimation, contractor evaluation, contract preparation, payment certification, and dispute resolution for renovation works of any scale. The cost of professional advice at the planning stage is a fraction of the cost of a failed renovation.

Disclaimer and AI Disclosure

This publication was developed by Etika Hijau Sdn. Bhd. through collaborative discourse with Claude (Anthropic), an artificial intelligence assistant. The substantive content, professional judgments, and practical recommendations reflect the firm's professional experience and knowledge of the Sabah construction market. AI was used as a collaborative tool for research support, structural organisation, and drafting assistance.

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