with criminal and credit checks. It also allows its loyal following of 1.2 million homeowners to rate and review—sometimes with brutal, unvarnished honesty—each of the 1.8 million tradespeople, even those who pay for premium, upgraded listings. “Our content integrity team will verify the content of the reviews,” says Peterson. “And if it’s accurate, we leave it up. That honesty has always been core to the company—it’s why people trust us.”

Ottawa’s Errol Judd decided to list his water treatment company, Hills & Valley Water Systems, on HomeStars in 2013, critical reviews be damned. Despite paying roughly $14,000 per year for the Yellow Pages marketing engine and Google AdWords, which boosted his company to the top of searches for water purification systems, most of his referrals came from HomeStars, a site he wasn’t even paying for. “Google just features your name in a search,” says Judd. “There’s no context. When you get enough positive reviews on HomeStars, it builds a lot of trust.”

Eventually, Judd decided to upgrade his HomeStars account for $2,000 per year. Now, about 90 per cent of his new clients refer to HomeStars to decide whether to hire his business, and his revenues doubled in the three years after the upgrade.

On top of HomeStars, HeyBryan will also need to compete with the likes of Houzz, a California-based app with more than two million designers, architects and home-improvement pros at the ready. For plumbing, lighting and painting (and dozens of other odd jobs short of a full-on renovation), customers can also turn to the New York-based Handy app or Toronto’s Jiffy, which handles booking, payment, invoicing and customer service.

The competition is fierce, but HeyBryan nonetheless has an aggressive goal to file for an IPO on the CSE this summer and be profitable by year’s end. “We have big plans,” says Montgomery. “Beyond expanding across Canada, we’re looking at moving into the U.S., starting with the Pacific Northwest. For us, it’s all about the best way to fuel growth.” ◆

ILLUSTRATION BY **MATTHEW BILLINGTON**; HAMMER BY **ISTOCK**

RENO THE RIGHT WAY

Three tips to make your renovation dollars go further

1 Choose the right financing plan
Obviously, cash is the best way to fund a renovation—no debt, no worries. But if you need to borrow, not all loans are created equal. With a personal or home-improvement loan, you borrow a fixed amount of money over a specified time period (five years, for example) and pay it back in monthly instalments. If you instead add to your mortgage, remember that the new amount gets added to the principal and can incur significant interest in the long run. Taking out a home equity line of credit (HELOC)—in which you borrow and pay interest on only the funds you need—may get you a better interest rate, but because there’s no built-in payback schedule, they’re riskier than they seem. “HELOCs can be dangerous, since you only have to pay the interest on a regular basis,” says Toronto-based financial expert and CPA Ann Hebert. The key: be disciplined and avoid treating your home equity like an ATM. “You need a plan to pay off the balance.”

2 Move in before you spruce up
Spending some time in your new home will help you decide which improvements—redoing the cramped kitchen, updating the old-fashioned bathroom—should be the priority, Hebert says. This is especially true for younger couples or owners who carry large mortgages.

3 Keep your eye on the ROI
If your intention is to sell after renovating, focus on projects that will most increase your home’s resale price. Kitchens are a safe bet and, according to *Remodeling Magazine*, new garage doors, decks and updated siding can also yield great return on investment. Keep renovations in line with the look and feel of the neighbourhood. Going overboard may not always guarantee a good return.—*MH*