

The Homeowners Guide To Finding and Hiring A Contractor



By Jason Shadowen
Owner - Service Detectives

The Homeowners Guide To Finding and Hiring a Contractor

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The Homeowners Guide To Finding and Hiring a Contractor

INTRODUCTION

Whether it's adding a ceiling fan, replacing your water heater, or doing some much-needed repairs to your heating and cooling system? Finding a suitable home services contractor is essential – a home improvement project gone wrong can cost you. A good ad isn't proof a contractor does quality work. Find out for yourself. Check



with friends, neighbors, or co-workers who've had improvement work done, and check out a contractor's reputation on online rating sites you trust. Get written estimates from several firms, keeping in mind the lowest bidder

may not be the best choice. Also important: know the signs of a scam.

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HOW TO FIND A CONTRACTOR

Do Your Research

- ✓ Check with friends, neighbors, or co-workers who've used a contractor.
- ✓ If you can, take a look at the work done and ask about their experience.
- ✓ Look at sites you trust that post ratings and reviews.

Do people seem to have similar experiences, good or bad? You also can check out a contractor's online reputation by searching for the company's name with words like "scam", "rip-off", or "complaint."

- ✓ Find out how long they've been in business.
- ✓ Look for an established company whose record and reputation you can check out.

Check for qualifications like licensing, or certifications.

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Many states require contractors to be licensed and/or bonded. Check with your local building department or **consumer protection agency** to find out about licensing requirements in your area. Licensing can range from simple registration to a detailed qualification process. If your state or locality has licensing laws, make sure the contractor's license is current.



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BEFORE YOU HIRE A CONTRACTOR

Get Estimates

Once you've narrowed your options, get written estimates from several firms. Don't automatically choose the lowest bidder. Ask for an explanation to see if there's a reason for the difference in price.

Ask Questions

❓ How many projects like mine have you completed in the last year?

Ask to see pictures so you can see how familiar the contractor is with your type of project.

❓ Will my project require a permit?

Most states and localities require permits for building projects, even for simple jobs like decks. A competent contractor will get all the necessary permits before starting work on your project. You may want to choose a contractor familiar with the permitting process in your county, city, or town.

❓ May I have a list of references?

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A contractor should be able to give you names, addresses, and phone numbers of at least three clients with projects like yours. Ask each client how long ago the project was and whether it was completed on time. Was the client satisfied? Were there any unexpected costs? Did workers show up on time and clean up after finishing the job? You also could tell the contractor that you'd like to visit jobs in progress.

❓ What types of insurance do you carry?

Contractors should have:

- liability
- workers compensation
- property damage coverage

Ask for copies of insurance certificates, and make sure they're current, or you could be held liable for any injuries and damages that occur during the project.

❓ Will you be using subcontractors on this project?

If so, make sure the subcontractors have current insurance coverage and licenses, too, if required.

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Understand Your Payment Options

Don't pay cash, unless you are completely comfortable in doing so.

For smaller projects, you can pay by check or credit card. Many people [arrange financing](#) for larger projects.



Try to limit your down payment. Some state laws limit the amount of money a contractor can request as a down payment. [Contact your state or local consumer agency](#) to find out the law in your area.

Try to make payments during the project contingent upon completion of defined amounts of work.

This way, if the work isn't going according to schedule, the payments to your contractor also are delayed.

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GET A WRITTEN CONTRACT

Contract requirements vary by state. Even if your state doesn't require a written agreement, ask for one. It should be clear and concise and include the who, what, where, when, and cost of your project. Before you sign a contract, make sure it includes:

- The contractor's name, address, phone, and license number (if required)
- An estimated start and completion date
- The payment schedule for the contractor, subcontractors, and suppliers if needed
- The contractor's obligation to get all necessary permits
- How change orders are handled. A change order is a written authorization to the contractor to make a change or addition to the work described in the original contract, and could affect the project's cost and schedule.
- A detailed list of all services that will be provided.
- Information about warranties covering materials and workmanship. Length of the warranty period and any limitations also should be spelled out.
- What the contractor will and won't do. For example, is site clean-up and trash hauling included in the price? Ask for a "broom clause" that makes the contractor responsible for all clean-up work, including spills and stains.
- Any promises made during conversations or calls. If they don't remember, you may be out of luck – or charged extra.
- A written statement of your right to cancel the contract within three business days **if you signed it in your home or at a location other than the seller's permanent place of business.**

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AFTER YOU HIRE A CONTRACTOR

Keep Records

Keep all paperwork related to your project in one place. This includes:

- Copies of the contract.
- Change orders.
- Any correspondence with your home service professionals.
- A record of all payments. You may need receipts for tax purposes.



Keep a log or journal of all phone calls, conversations, and activities. You also might want to take photographs as the job progresses. These records are especially important if you have problems with your project – during or after construction.

Pay Wisely

Don't make the final payment or sign an affidavit of final release until you're satisfied.

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Besides being satisfied with the work, you also need to know that subcontractors and suppliers have been paid. Laws in your state might allow them to file a mechanic's lien against your home to satisfy their unpaid bills, forcing you to sell your home to pay them. Protect yourself by asking the contractor, and every subcontractor and supplier, for a lien release or lien waiver.

Know the limit for the final bill.

Some state or local laws limit the amount by which the final bill can exceed the estimate, unless you have approved the increase.

Know when you can withhold payment.

If you have a problem with goods or services charged to a credit card, and you've made a good faith effort to work out the problem with the seller, you have the right to contact your credit card company and withhold payment from the card issuer for the merchandise or services. You can withhold payment up to the amount of credit outstanding for the purchase, plus any finance or related charges.

Use a Sign-Off Checklist

Before you sign off and make the final payment, check that:

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- All work meets the standards spelled out in the contract
- You have written warranties for materials and workmanship
- You have proof that all subcontractors and suppliers have been paid
- The job site has been cleaned up and cleared of excess materials, tools, and equipment
- You have inspected, understand and approved the completed work

Signs of a Home Improvement Scam

How can you tell if a contractor might not be reputable?

You may not want to do business with someone who:

- Knocks on your door for business or offers you discounts for finding other customers
- Just happens to have materials left over from a previous job
- Pressures you for an immediate decision
- Only accepts cash, asks you to pay everything up-front, or suggests you borrow money from a lender the contractor knows
- Asks you to get the required building permits
- Doesn't list a business number in the local telephone directory

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THE HOME IMPROVEMENT LOAN SCAM

Here's how it works: a contractor calls or comes to your door and offers a deal to install a new roof or remodel your kitchen. He says he can arrange financing through a lender he knows. After he starts, he asks you to sign papers; they may be blank — or he might hustle you along and not give you time to read through them. Later you find out you've agreed to a home equity loan with a high interest rate, points, and fees. What's worse, the work on your home isn't done right or isn't completed, and the contractor — who may already have been paid by the lender — has lost interest.



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To avoid a loan scam, **don't**:

- Agree to a home equity loan if you don't have the money to make the payments
- Sign a document you haven't read or that has blank spaces to be filled in after you sign
- Let anyone pressure you into signing any document
- Deed your property to anyone. Consult an attorney, a knowledgeable family member, or someone else you trust if you're asked to.
- Agree to financing through your contractor without shopping around and comparing loan terms

Report a Problem

If you have a problem with a home improvement project, first try to resolve it with the contractor. Many disputes can be resolved at this level. Follow any phone conversations with a letter you send by certified mail. Request a return receipt. That's your proof that the company received your letter. Keep a copy for your files.

If that fails, consider **getting outside help** like:

- Your **state attorney general or local consumer protection office**
- Your local media's **call for action lines**
- **Dispute resolution programs**

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WHAT TO DO NOW

Call 618.993.HELP [4357] to get this process started. My company Service Detectives specializes in electrical, heating and cooling, air pollution solutions, generator services, and more! We are a 3rd generation, family owned company servicing Southern Illinois since 1968. We are fully insured, bonded and licensed as required. **We meet and in many cases exceed** the suggestions written in this article. So whether it's needing us to give you a second opinion on work you've already had done or helping you with a new one, we are here to serve you at the highest level so you can enjoy a safe and comfortable life.

If you call within 3 days of receiving this guide, I will take \$50 off a service we provide for your home.

REACT QUICK! If you contact me within 24 hours of receiving this guide, I will not only take \$50 off a service project we provide for your home, I will give you a **FREE** safety evaluation of your electrical, heating and cooling systems (\$267 value alone). All you have to do is call 618.993.HELP [4357] or contact us through our website at www.ServiceDetectives.com. When you contact us, say this to the customer service expert that serves you, **"I want \$267 free!"** At minimum, you will have a thorough evaluation of your electrical, heating and cooling systems and a plan to make your home safer and more comfortable.

Thank you for your time. If there is anything I can do to help you out with your service project, please don't hesitate to contact me. I'm here to serve you.

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About Service Detectives

You've heard of Sherlock Holmes right? You would consider him a good detective right?

We believe a good detective finds clues and solves problems, even problems that others have missed.

That's what we do at Service Detectives. Our service experts solve problems and help people live in greater safety and comfort.

We provide electrical, heating, cooling, generator services, air pollution solutions and more in your home or small business. We've been trusted for generations and serving Southern Illinois since 1968.

Email: office@ServiceDetectives.com

Phone: 618.993.HELP [4357]



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ABOUT THE AUTHOR



Jason Shadowen is a Licensed Electrician who has been in business for more than 20 years in the Southern Illinois area. He began his career in 1998 as an apprentice at the company that he helped grow into Service Detectives. Under Jason's guidance, they have branched out into heating, cooling, generator service, air pollution solutions and more.

Jason was born and raised in Benton, Illinois and currently resides in Energy, Illinois with his wife and business partner Shayna and their two sons, Austin and Isaiah.

SERVICE DETECTIVES



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