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## South Florida Sun-Sentinel.com

### What you need to know about hiring a contractor

By Thomas M. Anderson, Kiplinger's Personal Finance

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Planning to remodel your home? Take these steps to ensure you hire a reputable contractor who will get the work done right and on time.

**Go online before you sign.** Referrals from people you trust are your best bet. But if you don't have that luxury, some Web sites can make your hunt easier.

ServiceMagic.com, which lists more than 79,000 providers, says that less than 0.1 percent of its referrals result in user complaints. The site charges listees (your search is free) and screens contractors to make sure they are licensed and have passed criminal-background checks. Using an unlicensed contractor in a state that requires a license is dangerous — you'll have little legal recourse if the job goes south. (To see which states license contractors, visit [contractors-license.org](http://contractors-license.org).)

Angie's List will connect you with contractors in more than 200 cities. The company says it monitors customer reviews for accuracy and offers discounts to users who select contractors that advertise on the site. Angie's fees vary, but in most cases you will pay \$5 a month or \$40 for an annual subscription. At <http://www.contractorcheck.com>, you can scrutinize a builder's record, including bankruptcies, liens, insurance coverage and credit information. \$13 for each report

**Take a field trip.** To truly appreciate how a contractor operates, you have to see him in action. So once you have narrowed your list to at least three prospects, ask to visit other jobs in progress. You will be able to see how he treats his crew, how tidy he is on site and how well he works with clients.

**Cross the T's and dot the I's.** If the project involves a home built before 1978, the contractor should be certified by the Environmental Protection Agency to handle lead paint. Ask the contractor to have his insurer send you proof of insurance. (In most states, the minimum liability coverage is \$300,000 per accident.) And the contractor should get the permit for the job, not you. Otherwise, you are on the hook if his work is not up to code.

**Divide and conquer.** Your best leverage for getting the job done right is to pay in stages. Some states actually limit down payments to 10 percent of the contract price; others allow one-third down. If building materials need to be ordered, you can arrange for early payments to meet those costs. Schedule later payments based on project milestones — such as 15 percent when the foundation is laid, 10% when the walls are framed and so on. Hold out 10% or more until the job is finished to your liking.

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**Be precise.** Don't just say you want windows — specify that you require, say, Andersen Tilt-Wash Double-Hung windows — and eliminate any "or equal" clauses in boilerplate contracts. Such language gives contractors wiggle room to select materials you may not like. If the project is big, such as building an addition on to your home, get a lawyer to draft the contract.

**Get it in writing.** Document every change to the project with a change order to avoid legal headaches and confusion over what you wanted.

Contractors, subcontractors and building-material suppliers can issue a mechanic's lien against your property if payment is disputed. To protect yourself, have the builder acknowledge in writing that subcontractors and suppliers have been paid through the date on the check for each phase of the project.

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