

Hire the Right Contractor



Hiring a contractor can be stressful, especially if you're planning a major renovation. Use the following guidelines to help you hire the right person for your next home project. These tips also apply if you're hiring a tradesperson or service professional to tackle any project around the home.

Get referrals. Ask your family, friends and neighbors for the names of contractors or trades professionals they've used and make a list of companies that serve your area. I work with reputable contractors and other professionals in our local area—so give me a call for a referral.

Get in touch. Once you have a list of companies, call them and ask if they specialize in your type of project. If you're renovating the kitchen, you'll want a company that has completed several similar kitchen renovations; they'll know the applicable regulations and codes that pertain to your project. Ask how many other projects they're managing at the moment, as this may impact when they can begin working on your renovation.

Meet the contractors in person.

Meeting face-to-face not only allows you to ask more questions, it also provides insight into the contractor's communication style. It can also provide insight into their character and attention to detail in the way they present themselves and their company. Since you'll be working closely with the contractor and team, you'll want to make sure you trust them.

Research your options. Contact your local Better Business Bureau and your state's consumer protection agency to review the reputation of the companies on your list. Check online consumer review sites. If possible, call previous clients and ask specific questions pertaining to their experience working with the company. Schedule times with the companies to see completed projects so you can get an idea of the level of quality to expect.

Also, verify that all companies under consideration are licensed and check for any past judgments against them from prior jobs. In most states, all major remodeling projects must be done by a licensed contractor. Be aware that if you use an unlicensed contractor, you may be responsible for any work that is not to code or injuries your worker incurs on the job.



Questions to ask a general contractor:

- How long have you been in business?
- Have you worked on projects similar to mine?
- Do you have a reference list that you can share with me?
- Does your company carry workers' compensation and liability insurance?
- Are you bonded?
- Who will supervise the project on-site?
- Who will be my point of contact for job progress, changes or other issues?
- What work will your employees do? What will you subcontract?
- What efforts do you take to ensure the site is clean and safe for children and prevent dust and dirt from entering the living areas (if you're remodeling)?



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Get estimates. Ask the companies on your list for an estimate and have them break down the costs, including materials, labor and expenses. The contractor may want a set of blueprints if you worked with an architect, and will likely ask about your budget and expected start times. When you review the estimates, keep in mind that materials alone tend to make up about 40 percent of the total cost. If a bid seems too low, the company may cut corners. Similarly, a high price doesn't necessarily mean high quality. Use the estimates as a guide and choose the contractor with the best reputation who you feel the most comfortable with and who communicates well with you.

Sort out the details before work begins.

Payment: If your project is large, you may pay 10 percent upon signing the contract, followed by three milestone payments of 25 percent over the duration of the project. The final 15 percent is often due upon completion of the project. Use the milestone payments as a time to review the project's status and ensure your expectations and the contract standards are being met.

Time: If you'd like the work to be done during a particular window of time or have other requests, discuss them with the contractor beforehand.

Expectations: Understand what the contractor expects from you. For example, do you need to clear the room before work begins? Will you need to board your pet?

Get everything in writing: The contract should include a payment schedule, proof of insurance (liability and workers' compensation), start and completion dates and lien releases from all subcontractors and suppliers, which is obtained by the contractor. The contract should also include:

- A detailed description of the project, explaining the materials to be used and what is being subcontracted. Keep in mind, the description will not cover any unexpected work uncovered during the renovation.
- All building permits that will be obtained by the contractor and reassurance that the work will be compliant with current building codes.
- A statement of warranties, including what is covered and for how long.
- A statement of contractor's liability and property damage insurance.
- Price and terms of payment.

Be on the lookout

Beware of doing business with contractors who do the following:

- Give you a quote before seeing the job.
- Demand a large deposit upfront to purchase materials. Most contractors will have a charge account with suppliers.
- Insist you sign a contract on the first visit. Once you've discussed the project with a contractor, they'll likely come back with a plan or drawings and a written estimate of the project.

