

Choosing a Contractor

The first and most important thing to do when choosing a contractor for home construction or improvement is to make sure that the contractor is licensed. An easy way to lose money is to hire an unlicensed contractor, have them disappear, or incur costs unwittingly or illegally.

After that, the best way to find a good contractor is by getting references from people you know who've recently built. Ask around for names and addresses of people who've built if you have just moved to the area or don't know anybody who has recently used a contractor.

Once you have a short list of contractors who have performed satisfactory work for your references, make sure that they have a permanent (and preferably local) business location with at least a phone number (preferably email, fax, etc. as well). If suspicions remain, you might also consider checking the contractor's credit history with local lenders and suppliers.

Now, using your shorter short list of contractors, get estimates from each of them. Be particularly vigilant in this step as there are some tactics that contractors use to lull you into a deal with less-than-satisfactory outcomes. Sometimes an initial price quote will be significantly cheaper than a competitor's, but it may be that the contractor based it on the prices of inferior materials. This, then, means that you'll either be stuck with an inferior product or, if you upgrade, a price much higher than the one initially quoted. To this end, make sure your contractor details in his estimate both the materials to be used and the date he expects the job would reach completion.

When you've finally settled on a contractor, it's important to get all agreements in writing so that, down the line, there can be no disagreements about what was paid for or what services were promised. Things that should be included in any contractor's contract ought to be: detailed job descriptions including materials and drawings (if required), the company's name, the license number of the company, and any of their contact information. Start and predicted finish dates should be included also as well as a "right to cancel" clause which allows you to opt out of the agreement if it is unsatisfactory for three weeks.

If the contract, for some reason, does not cover a disagreement, contact a third party to arbitrate. Generally a local building inspector can provide this service.