

Hiring a Contractor Guide

When hiring a contractor, there are several important factors to consider and research prior to making a decision on who you'll hire. The State of Florida requires that certain trades require specialized training and licenses. The state also has limits on what functions contractors can do onsite. Contact your homeowner's insurance company for recommendations of contractors in your area, and as you continue your research, please use these helpful tips.

Check That The License Exists And Is In **Good Standing**

When you receive the state license number, verify that it is a real license number associated with the contractor's name and is in good standing with the state of Florida. Visit the State for Florida Division of Professional Regulation website at http://www.myfloridalicense.com/dbpr and click on the "Verify a License" link in the top menu. Here you will see the current status of the license and when it expires. After you've checked the validity of the license, make sure there aren't any complaints by clicking the "View License Complaint" link at the bottom of the screen of any selected license.

Verify That The Contractor Is Insured

During the interview process, ask the contractor to provide you with proof of workmans compensation and liability insurance.



Look Out For These Characteristics And Red Flags

- Contractor doesn't make notes and is not friendly.
- Does not look you in the eye when speaking with you.
- Asks you to sign an "Assignment of Benefits" agreement. By signing this agreement, you could end up paying for more than what's covered in your policy.
- Promises guarantees as a sales pitch. It's only a reliable guarantee when it is supported by a warranty company.
- Wants to work "off book" to get paid cash and save you money.
- Offers you discounts for getting your friends, family or neighbors to hire their services.
- Offers you a discount for using material left over from another job. The material could be stolen or defective.

Useful Tips

- Inform the contractor that he is to provide a clear "Release of Lien" to you at the end of the job and show proof that all subcontractors have been paid. This shows that no other parties have a financial stake in your property.
- Ask to see finished projects as well as jobs that are incomplete and in-progress. It is a good idea to consult with past customers about their experience and to discover if they are pleased with the contractor's work and service. Below is a list of good questions to ask:
 - Did the contractor keep all appointments and return your calls?
 - Was the job site neat and organized?
 - Was there any extensive period of time where no construction or progress took place?
 - Was the project finished on time?



Entering into Contract

You and your contractor need to agree on the project plan, establish the cost of material, and create a scope of work. Leave NOTHING to chance: discuss with your contractor the repair or replacement of doors, windows, trim, wall coverings, flooring and other structures. **Everything that goes into a project should be put in writing.** Make sure your selections are documented and are included as part of the contract.

Doublecheck the plan. Check measurements and make sure all of the electrical and plumbing requirements are what you need. If you have any questions, ask your contractor early in the process. You should have a clear understanding of what is involved to repair or replace the damage to your home. It is a good idea to consult with legal counsel to review the proposal the contractor provides you. An experienced attorney will be able to identify if any information is inaccurate or missing.

Project Start

Now some time has passed and the crew is here to start. Protect yourself. Be sure that your contractor filed for *and received* the building permit. It should be posted on the job site.

Make sure there is a "Notice of Commencement" posted and sealed building plans. Work should not begin without this documentation.



Contractor Selection and Project Checklist

- ☐ Get at least three (3) free estimates from different contractors. When you feel comfortable after you've done your research, pick the one that best meets your needs.
- ☐ Make sure that the contractor is licensed and insured with no complaints filed against him.
- ☐ After selecting a contractor, enter into a written contract specifying all your requirements regarding the quality and timeliness of work to be completed and the payments to be made.
- ☐ File a Notice of Commencement and post it on your property. It should be visible to subcontractors.
- ☐ Make sure that the contractor pulls all the necessary permits and posts them on your property.
- ☐ Do not make any payments until you receive a Partial Release of Lien and Affidavit for each payment made to the contractor.
- ☐ Do not make the final payment until you receive a "Final Release of Lien and Affidavit" from the contractor, you are certain that all the subcontractors have been paid, and you know that the final inspection has been passed.
- ☐ If you run into problems, contact a lawyer familiar with contractor law.
- □ Remember, it is your responsibility to guard your house against unjust liens and foreclosures. The best way of doing this is to maintain written proof that every supplier, subcontractor, and contractor has been paid for providing any materials or services to your property.

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