One Cool Thing

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HOW TO HIRE A CONTRACTOR

Buyers and sellers will often have to hire a contractor to do work on a home. But who do you hire and where do you look? Here are some tips that can help you avoid problems down the line.

GET MULTIPLE BIDS FROM LICENSED CONTRACTORS. Remember that you're the shopper here, so don't settle for just one bid. Check with CSLB to make sure each contractor's license is active and in good standing. If one of the bids is noticeably low, watch out — that person may be cutting corners or not pulling necessary building permits.

GET IT IN WRITING. Since a written contract protects you and the contractor, all agreements should be put in writing.

SPECIFIC CONTRACTS ARE GOLDEN. Make sure the contract includes everything that is agreed to, up to and including complete cleanup and removal of debris and materials, along with special requests like saving lumber for firewood or saving certain materials or appliances.

GET A COPY. Once you sign, both you and the contractor are bound by everything set down in the contract. Make sure to get a copy of the contract, and keep it for your records.

IT'S OKAY TO UPDATE. Make sure to note changes in writing on a change order, and include any price changes. After a change order is signed, it becomes part of the written contract.

CHECK THE FINANCIAL TERMS. The contract should include the total price, when payments will be made, and whether there is a cancellation penalty. You should expect to make a down payment on any home improvement job. That down payment should never exceed 10% of the contract price or $1,000, whichever is less.

Source: Contractors State License Board (CSLB)