

## Hiring a Contractor

For most people, their home is one of the largest investments of their lives. When it comes to home improvement projects, choosing the right contractor to do the work could make or break your investment.

This guide is meant to assist you as a homeowner in choosing the right contractor for your specific project.

### **Finding a Contractor:**

Once you have decided what work you want to have done in your home, you will need to contact contractors to begin receiving proposals for the work to be done. Some places you can find the names of contractors are:

- Friends or neighbors who have had satisfactory work performed.
- People at local home improvement centers, builder shows or open houses.
- Local Yellow Pages list licensed builders who do business in your community.
- Local home builders' associations.

### **Interview Your Contractor:**

Ask to meet with the contractor to discuss the project. Some questions you may want to ask are:

- How long have you been in business?
- May I have a copy of your worker's compensation and liability insurance certificates?
- How do you warrant your work?
- Will you clean up the job site on a daily basis?
- May I have a list of references for projects you have completed which are similar to mine?

Check references and find out if other homeowners were satisfied with the contractor's quality of work and professionalism.

### **Get Estimates in Writing:**

Some items you want to make sure are included in your estimate are:

- The contractor's name, address, telephone number, contractor license number and insurance information.
- Brand names, sizes, quantities, styles, types of products and materials, a detailed description of labor, and all costs associated with the proposal.
- A timeframe for the project including a start and finish date.

When choosing your contractor, do not choose based solely on cost. Quality of work and materials will affect the cost. Compare every aspect of the project before making your choice.

## **Once you have chosen your contractor:**

### Get a Contract in Writing:

Your contract should include the following information:

- The contractor's company name, address, telephone number, contractor license number and insurance information.
- The name of the contractor and the salesperson (if applicable).
- Brand names, sizes, quantities, styles, types of products and materials, and a detailed description of labor.
- Start date and completion date of project – these dates should allow for reasonable delays.
- A clause that allows for you to withhold payment if work slows down for no apparent reason.
- Terms and schedule of payment.
- A statement requiring the contractor to obtain all necessary permits from City of Livonia.
- A statement of warranty on the work to be performed.
- A date and signature of all parties involved.

Have two copies of the contract signed and dated – one for you and one for the contractor.

It may be in your best interest to consult an attorney for review of the contract prior to signing.

### **Recommendations for Paying Your Contractor:**

- Never pay for the entire project in advance. Make a deposit to cover materials and start-up costs.
- Pay by check payable to the company and **ALWAYS** get a receipt.
- Make scheduled payments as work progresses as stated in your contract.
- Never make final payment until your final building inspection is approved by City of Livonia Inspection Department.
- Pay your contractor on time – failure to do so could result in a lien being placed on your property.

### **Resolving Problems with Your Contractor:**

- Any problems should first try to be resolved directly with the contractor before making final payment.
- If problems cannot be resolved with the contractor, you can file a complaint with the State of Michigan Licensing and Regulatory Affairs Compliance Division by calling (517) 241-9309, or email: [lara-bcc-compliance@michigan.gov](mailto:lara-bcc-compliance@michigan.gov)
- Another method of resolving your problem would be to contact an attorney.