

Hiring General Contractors

What does a General Contractor do?

A general contractor is usually defined as one who constructs a building or makes other improvements (such as major home repairs or remodeling) for an owner or developer. General Contractors are usually the managers of such construction projects and will hire a team to do most of the work. They may also hire subcontractors for specialty areas such as plumbing or electrical work.

An example: A homeowner/developer hires a General contractor to build a house. The general Contractor then brings in their team to the building or hires out jobs to subcontractors. The general contractor works closely with the Forman who will be the main person on site directing the activity. The Forman will report back to the General contractor. The General Contractor may also take on the role of the Forman.

How do I find a reputable General Contractor?

- Ask around! Friends, family and colleagues are likely to have worked with one that they can recommend or advise you to stay away from!
- Search online or in the phone book for listings under General Contractors in your area.
- Check out BBB Business Reliability Report at wynco.bbb.org

What do I do once I have a list of names?

- Start calling them and checking them out
- Don't be afraid to ask for the following:
 - Former customer you could actually talk to
 - Verification of trade licensees
 - Verification of insurance: Make sure the contractor carries general liability insurance and workers' compensation. If the contractor is not insured, the homeowner may be liable for accidents that occur on the property.
 - Verification if they are properly registered with the State and Local authorities

Once you have narrowed it down to your top 3-5 choices, get the following from each one:

- Get a written estimate for the job including:
 - Timetables for projects
 - Payment schedules
- Get a "read" on the person. Ask yourself :
 - Is this somebody I trust?
 - Is this somebody I want to work with for an extended period of time?
 - Is this somebody I am willing to let into my home?

Before you hire one:

- Make sure they will be responsible for obtaining all necessary building permits

- Get a written contract and look over it carefully before you sign.
 - A complete contract should state clearly all tasks to be performed, all associated costs and the payment schedule.
 - Never sign a blank contract or one with blank spaces.
 - Make sure the contract clearly states who will apply for the necessary permits or licenses.
 - Have a lawyer review the contract if substantial costs are involved, and keep a copy for your records.
- Get any guarantees in writing.
 - Any guarantees made by the contractor should be written into the contract. The guarantee should state clearly what is guaranteed, who is responsible for the guarantee and how long the guarantee is valid.

At the end of the project:

- Make final payments only when all work is completed to your satisfaction
 - A reputable contractor will not threaten you or pressure you to sign if the job is not finished properly.
- Pay by check, not cash.

What to watch out for:

- Don't get rushed into a decision because you are responding to a disaster.
 - Scam artists love to prey on natural disaster victims or others in high stress situations. Even though you may just want things fixed and back to normal NOW, do not rush into making decisions! Ask the same questions and go through the same process that you would at any other time. You do not want to make a bad situation worse!
- Avoid anybody who says they can speed up the insurance payments or building permits.
 - They can't or if they are, they are doing so illegally.
- Avoid anybody who wants a cash deposit or cash advance for payments in full.
- Any legitimate contractor will work with you and will accept a check or cashier's check. Don't get pushed into anything else.

If the home repair is disaster related, be sure to stay away from anybody who:

- Claims to be FEMA certified.
 - FEMA does not certify general contractors in any state!
- Lacks proper identification.
 - A FEMA or SBA shirt or jacket is not proof of someone's affiliation with an agency. Ask to see a photo identification card; if they don't have it, they are probably not legitimate.
- Goes door-to-door.
 - Persons going door-to-door to damaged homes, or phoning victims and claiming to be building contractors, could be frauds. If callers solicit personal information such as Social Security or bank account numbers, they are not legitimate.

- 1) Charge fees to put customers on a list or to fill out forms.
 - FEMA registers all applicants without charge and has experts at Disaster Recovery Centers and through the toll-free registration line 1-800-621-FEMA (3362), or TTY 1-800-462-7585 for the speech- or hearing-impaired to assist with forms and to explain the many available assistance and loan programs.
- 2) Offer to increase the amount of your disaster damage assessment.
 - This is not wise and is a sure sign of a scam.
- 3) Ask for cash up front.
 - Under no circumstances are FEMA and other agency representatives allowed to accept money. FEMA inspectors assess damage but do not hire or endorse specific contractors.

** All FEMA information is courtesy of the following website:
<http://www.fema.gov/news/newsrelease.fema?id=41633>