# THINGS TO KNOW WHEN HIRING A CONTRACTOR OR BUILDER

# THE CONSUMER'S CHECKLIST

Building or remodeling your current home is an important decision that effects your day to day quality of life and your long term financial wellbeing. Here is a simple guide to help you along the way.

## **PLANNING YOUR PROJECT**

- Take time to organize your design wants and needs.
- Prioritize the list and features you would like in order of importance.

#### **ESTIMATES**

- It is important to get several estimates when looking to build a new home or remodel an existing home. Getting quotes from licensed contracts with good references allows you to make an educated decision saving time and money in the long run.
- Make sure to get all estimates written with detail. Expectations should be clear for both you and the contractor.
- Things to include in an estimate:
  - Specific details about the work and what is to be completed.
  - Breakdown of the costs involved.
  - Any down payments required.
  - Any policies concerning issues that may be discover upon completion of work.

### **CONTRACTS**

Getting a contract signed by both yourself and your contractor is an easy way to protect your interests and investment.

Here is some information to include:

- Information included in estimate.
- Any guarantees or warranties.
- Timeline for project.
- Payment details such as down payment and when full payment is due.
- Who is responsible for any permits required.
- List of subcontractors along with license numbers, as well as who is responsible for their payment.

#### References

- Ask your professional for references and contact them to confirm the information you've been given and hear about their experience with the company.
- Ask your professional if they belong to any professional organizations or national registries.

#### **LICENSING**

- Any contractor planning on completing a job over \$4,000 must be licensed by the ND Secretary of State. You can search the list of Licensed Contractors by going to the Secretary of State's website at www.sos.nd.gov.
- Any contractor from out of the local area is required to have a Transient Merchant License issues by the ND Attorney General. A list of Transient Merchants can be accessed on the Attorney General's website under "Consumer Resources."

# PROTECTING YOURSELF FROM FRAUD

Unfortunately, there are several businesses out there that prey on people who are victims of natural disasters or people who are in a rush to get a project completed. Here are some warning signs:

- Any professional that is requesting full payment or a large down payment before the work starts.
- Contractors that require payment before a final walk-through and inspection of the work completed.
- Contractors or builders that require cash payments or cash down payments on was that has not been started or contracted.



## **LOCATING A CONTRACTOR OR BUILDER**

- Ask neighbors, friends or family.
- Check NAHB.org consumer links.
- Contact NDAB at (701) 222-2401 or www.ndbuild.com for more information on local homebuilder associations in your area.



## **Got questions?**

Phone: (701) 222-2401 Email: info@ndbuild.com Website: www.ndbuild.com