

# BUILD<sup>3</sup>

## How to Choose your Contractor

1. **GET RECOMMENDATIONS-** Start by asking friends and family who have previously used contractors they liked. You can also check with the local municipal building department for a list of locally licensed contractors in your area. It is also possible to request a meeting with a local building inspector to recommend contractors in good standing that always pass their inspections.
2. **INTERVIEWS-** This is a great time to reach out to each of your referrals by phone or email and ask a few questions to see if you want to continue pursuing their services:
  - Have they completed projects similar to yours?
  - Can financial references be provided upon request?
  - Are they willing to allow you to contact previous project owners?
  - How many other projects would they have going at the same time?
  - Are they willing to let you interview the subcontractors?

These questions are a great determinant as to the contractor's availability, reliability, time allocation to you and overall professionalism.

2. **MEET EACH REFFERAL-** At this point in your process you should select at least three contractors to meet for project discussions and initial budget proposals. It is always best to submit your plan sets to the contractor for review prior to the meeting. If you haven't obtained plan sets yet let your contractor know so they can be prepared. Each contractor should be able to adequately respond to any questions you may have as you walk them through the project. Evaluate your communication with each contractor as this person may be in your home for 6 months or more and be responsible for your financial investment.
3. **CONFIRMATION-** Contact previous clients and ask how their projects went and if they had any issues. Conduct a site visit of a project in progress for each contractor and see for yourself how the contractor works. Is the job site neat and safe? Are workers courteous and careful with the homeowner's property?
4. **PROPOSALS-** At this point you should have selected a few contractors that will fit well with your team. It's time to ask each contractor for an Initial Budget Proposal. Each contractor should be given a complete set of drawings to assemble your proposal. This will help to ensure the proposals from each contractor are "apples to apples" when scope of work is reviewed. To compare budgets, ask each contractor to break down the cost of materials, labor, profit margins and other expenses. It is also best to ask each contractor what type of pricing structure they will be utilizing...Hard Bids or a Cost Plus format?
5. **PICK YOUR CONTRACTOR-** It is typically best to remove the lowest cost contractor from your choices. They are probably cutting corners or desperate for work. Competence and comfort should play an equal role in your decision. The most important factor in choosing your contractor is how well you communicate together. It's better to spend more money upfront and hire someone you're comfortable with that can manage your expectations adequately.
6. **CONTRACT-** Make sure a detailed contract including each step of the project, change order protocol, payment schedule, proof of liability insurance and worker's compensation payments, a start date and projected completion date, specific materials and products to be used; and a requirement that the contractor obtain lien releases (which protect you if they don't pay their bills) from all subcontractors and suppliers