

Home Repairs and Improvements, Part 1: Contract Tips

"A child of five would understand this. Send someone to fetch a child of five."

– Groucho Marx, comedian and film star (1890-1977)

What leads the list of the worst U.S. consumer complaints? Home repairs and improvements. When having your house repaired or remodeled, make sure you hire someone who will do a fair job.

The person you hire is called a "contractor." A contractor can be a person like a carpenter, plumber, or electrician. A contractor can also be a company with employees who do the work.

Q. How do I know that a contractor will do a good job for a fair price?

1. Only hire a licensed contractor. Ask for the license number, and call the Tennessee Home Improvement Commission at (615) 741-5630 to be sure the license is up-to-date.
2. Ask the Commission if the contractor has paid the required insurance bond. An insurance bond means the contractor's insurance company will pay you if the contractor goes out of business before finishing the work, or does not do good work.
3. Ask friends, neighbors, or insurance agents for the names of contractors that will do a good job.
4. Ask the contractor for past customer names and phone numbers – then call and ask if the contractor did a good job.
5. Call the Better Business Bureau at (615) 242-4222 or the Tennessee Division of Consumer Affairs at (615) 741-4737 to see if anyone has complained about the contractor.
6. Get at least two estimates in writing before deciding which contractor to hire. An estimate is how much the contractor says it will cost to do the job. Get a firm, complete price in writing before you sign a contract, and don't be rushed into signing.

Q. What if I just tell the contractor what I want and shake hands on the deal?

Bad idea! Make sure your agreement with a contractor is in writing and is signed and that you have your own copy. This agreement is called a contract. It should say:

- exactly what work will be done;
- what kind of materials will be used;
- when the work will be finished;

- how much the work will cost;
- how you will pay for it (in payments or all at once); and
- what interest (extra money) you will pay if you are making payments.

Read everything in the contract to make sure it says only what you agreed to. Do not sign if you are not sure what something means. Be sure to keep a copy that shows you both signed it.

Do not sign a contract with blank spaces. If there are blank spaces in the contract, put an "x" through them before you sign.

It is a good idea to pay only about one-third of the total price as a down payment. Do not pay for all the work until:

- the work is completely finished;
- you have checked the work and are happy with it; and
- any problems are fixed.

Finally, do not pay cash. Pay by check or money order, so that you can prove you paid.

Next week: Part 2 – what happens if there are problems?

by Jim Hawkins, Managing Attorney, Gallatin office, Legal Aid Society

Note: This column is not intended to take the place of legal advice. All cases are different and need individual attention. Consult with a private attorney of your choice to review the facts and law specific to your case.

The Legal Aid Society is a non-profit law firm, not a government agency, and all calls are strictly confidential. If you need more information on this or other common legal problems, please visit our Web site at www.las.org or call 1-800-238-1443. January 9, 2007