



Tips on How to Choose a Contractor

“CAVEAT EMPTOR”

“Let the buyer beware”

“Code Officials will never recommend or disparage products, suppliers, or contractors, or otherwise show partiality or exercise undue influence in any way.” Statement from the Code of Ethics of a Code Enforcement officer

You need to do your homework before you have work done in your home. Take steps to prevent being misled or deceived; select a contractor whom you can trust with your most valuable asset. Here is list of things you should investigate prior to entering into an agreement with a contractor. Keep it for future reference.

- Ask for licenses or registration numbers of the contractor and any subcontractor working on your job.
- Get Recommendations: Code Officials cannot recommend but others can. Ask friends, relatives, neighbors but also supply houses and other contractors.
- Investigate: Ask the contractor to provide contact information of former customers. Ask for the last project they worked on, but also a project done a year ago, two years, etc. Call those owners and ask how the project went. Was it done on time? Was the job site neat and safe? Were there any problems with subcontractors? Was there any unexpected expenses? Have you seen the contractor’s work both in progress and completed?
- Compare multiple itemized bids. Itemized bids should contain a proposed list of materials, proposed construction methods, and a timeline for payments with specific verifiable stages of construction when payments will be due.
- Does the contractor have a permanent business location and a good reputation?
- How long has he or she been in business?
- Does the contractor have proof of worker’s compensation and general liability insurance? If not, you may be liable for any construction related accidents on your property or damage to property caused by an accident.
- Are you able to communicate easily with the contractor? Misunderstandings during the course of the project can lead to cost overruns and delays.

- Do you feel comfortable with the contractor? Remember, you will be in close contact with them and will share your house with their crew until the project is complete.
- Will the contractor provide you with a complete and clearly written contract as required by NJ law? A properly written contract is required for all projects costing \$500 or more. Included in the contract should be; an estimated start and completion date, a cancellation policy and procedure, an itemized cost estimate, and an explanation of the procedure for change orders during construction. It is customary for a deposit to be required prior to the start of work but the amount of a deposit should never exceed 1/3 of the cost of the job.
- Ask what type of warranty is offered. Most contractors offer some sort of warranty in writing.
- Do not allow the contractor to start any work before a construction permit has been issued and is on the job site. Obtaining permits is the legal responsibility of both the homeowner and the contractor. The contractor will work with you to obtain the permits.
- Be sure that your agreement states that final payment will not be presented until a Certificate of Approval or Occupancy is obtained from the Construction Official. This is for your protection and is required by NJ state law.

Warning signs when choosing a contractor:

- Never provide cash
- Never use a contractor that provides only a PO Box and a cell phone number. They must provide you a responsible individual with an actual physical location where they conduct business.
- Never hire a contractor that tries to get you, the homeowner, to fill out all the paperwork saying they are performing all the work. They probably are not licensed to conduct business in New Jersey.

Please see New Jersey Division of Consumer Affairs for additional information on choosing a contractor.