

Tips for Hiring a Contractor

Contractor fraud costs homes owners thousands of dollars every year. Listed below are a few things you as the consumer should be made aware of and watch out for when selecting or hiring a contractor.

1. Door to door solicitation is a red flag and is not a smart way to select your contractor. (it has been noted that a contractor that does this is most likely from out of town, and may not have a contractor's license, insurance or bond). The website to utilize to see if your contractor is licensed in the State of North Dakota (<http://sos.nd.gov/>).
2. Contractor just happened to be in the neighborhood and noticed that you needed repairs. (Roofing, painting, tree trimming, and driveway repairs are common schemes for this type of fraud).
3. The offer of discount pricing, lifetime warranties or you need to act fast to get the deal is a red flag they are out for a quick buck. (Contractors can offer you special pricing, what you the consumer needs to get that special pricing in writing along with a contract proposal that protects both you and the contractor).
4. Get a contract, lien waivers, or have your financial institution issue the payments on completion of scheduled parts of the contract. (You may consider having a lawyer check over your contract to be sure it's a legal binding contract).
5. Be cautious of contractors who have a post office box or out of state phone numbers. (Contractors who do not wish to establish themselves in the community can leave at any time because they have put nothing at stake to establish themselves).
6. Never give a down payment of more than 1/3 of the contract price. The down payment should be for labor only. The materials should be purchased and secured on jobsite or at the building material store.
7. Never pay the final 1/3 until all inspections have been completed and you have been issued a Certificate of Occupancy from the inspection department which requires Plumbing & Electrical Certificates. (If you have corrections that the inspector requires and your contractor has been paid off. You may have no leverage and they may be long gone which would require you to hire another contractor to fix the correction or corrections).

If you have any questions regarding your contractor contact the Ward County Building Inspector.

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