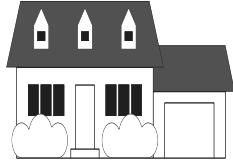


As a homeowner you are aware that things can break or go wrong in your house. Often the repairs are too complicated to do yourself so you will have to hire a professional contractor. Unfortunately, some contractors see this as an opportunity to take advantage of senior citizens. This booklet is a guide to help you choose a contractor and to know your rights when entering into a contract for home repairs.



HIRING THE CONTRACTOR

Once you have decided to make repairs to your home, your first step is to hire a contractor to do the work. The first step in hiring a good contractor is to ask people who you trust if they know a reliable contractor. Also, look in the telephone book or newspaper. You should be suspicious of any "contractor" who comes to your home or calls you looking for work.



GET WRITTEN ESTIMATES

You should have at least three contractors come to your home to give you a **free** estimate of what repairs they will do and the cost of those repairs. Make sure each estimate is clearly written and contains specific details. The estimate should itemize the cost of each job to be done, and the materials to be used. It should also include the **total** cost of the job. You should walk through the house with the contractor and have him explain

what work will be done. Hearing more than one contractor tell you what he intends to do, and how it will be done, should help you choose the contractor that is best for the job. **Remember: the lowest estimate is not always the best.**

CHECK OUT THE CONTRACTORS

Before you hire a contractor, make sure that he has the legally required licenses. A contractor must have a city **business privilege license, contractor license** and a **plumbing or electrical license** if he intends to do that type of work. Call the Philadelphia Department of Licenses and Inspections - License Issuance Unit- at 215-686-2490 or go to <http://www.phila.gov/li> to make sure that the contractor has all required licenses.

As of July 2009, most home improvement contractors must register with the Pennsylvania Attorney General's Office. You should call 1-800-441-2555 to check their registration. All registered contractors must have liability insurance of at least \$50,000 to protect you if a worker is hurt while working on your home. Ask the contractor for proof of insurance such as a current certificate of insurance.

The City may also require a **construction permit** for the job. Because of lower costs, you may be tempted to hire a contractor who tells you that licenses, permits, and insurance are not important. It is in your best interest to ignore these contractors.

WHAT TO ASK THE CONTRACTOR

When contractors come to your house you should ask them these questions:

- Does any of the work require hiring a sub-contractor such as an electrician, plumber, or roofer, which will add to the cost? Ask for name, address and telephone number for each subcontractor.
- When can the work begin and when will it be completed?
- Are any delays in getting materials anticipated?
- Is the work guaranteed, and for how long?
- What is the schedule of payments? How much down, how much on completion?

THE CONTRACT

The contract is **the most important** part of your relationship with the contractor who repairs your home. It sets out each party's responsibilities. Remember, **you**, as well as the contractor, are bound by the terms of the contract, so it is important to read it carefully.



The following is a list of the things that your written contract MUST include:

- The total cost of the job.
- Starting and completion dates.
- A detailed list of all the work to be done and materials to be used.
- Amount of any downpayment (limited to one third of the total price if price is \$5000 or more).

- Registration number, name, address and phone number of contractor and any subcontractor.
- Signature of homeowner and contractor.
- Date contract is signed.
- Toll free number to Attorney General's Bureau of Consumer Protection 1-800-441-2555
- Homeowner must be given completed copy of contract at time it is signed together with written notice of three business day right to rescind.

Your written contract SHOULD contain:

- A fair payment plan (payment for work and materials as job progresses; the final 10% when job is completed to your satisfaction and inspected by the City, if required.)
- A guarantee against defects in workmanship and materials.
- A requirement that the contractor will return and fix any problems.
- If, during the job, you and the contractor agree to change the contract, then make sure that the changes are put in writing and signed by both of you.
- A statement that the contractor will get all necessary permits.
- **Never pay in cash.** Always get a receipt.

YOUR RIGHT TO CANCEL

When you sign a contract for goods or services worth at least \$25, as a result of a contact with you or a visit to your home, it should include a statement explaining your right to cancel the contract

within 3 full business days following the day on which you signed it. You should also receive a form, in duplicate, explaining that right. You must notify the contractor in writing if you intend to cancel. Be sure to keep a copy of your letter.

HELPFUL TIPS

- Take a photo of the contractor you hire in front of his work vehicle with the license plate included.
- Put away **all** valuables before any contractor enters your home.
- Keep a daily log of what happens each day once work starts: number of workers on site, how long they worked, what work was done, weather conditions.
- Schedule weekly meetings with the contractor to discuss how the job is progressing.

WHEN THINGS GO WRONG

Have a friend or family member who is familiar with construction practices help you if a problem arises. Pay particular attention to plumbing, electrical, and roofing work, because these types of repairs are often hidden.

If problems arise during or after the job, then you should contact the contractor and try to solve them. Remember to keep copies of any letters you send to the contractor. If you are unable to solve the problem on your own, then contact:

Homeownership Rights

SeniorLAW Center
 2 Penn Center, 1500 JFK Boulevard,
 Suite 1501
 Philadelphia, PA 19102
 215-988-1242
www.seniorlawcenter.org



SeniorLAW Center
 Protecting the Rights of Older Pennsylvanians

The Home Repair Contract



What you need to Know

A Senior Citizen's Guide to Home Repair Contracts

HelpLine: 215-988-1242

or 1-877-727-7529

(Mon – Thurs 10 AM to NOON)