

## **TIPS FOR HIRING A CONTRACTOR**

### **What to do first...**

- Provide a description of the renovations you require done with as much detail as possible.
- Check with your municipal building department to ensure that the renovations can be done and if zoning approval or any special permits are required.

### **Find a contractor...**

- Ask friends and neighbors for recommendations.
- Get names from your family members, friends, local homebuilder and renovator associations, building supply outlets and, in some municipalities, your local building department.
- Ask contractors for their business license number and check with the local licensing office and the firm's insurance company for public liability and property damage insurance and repairers' compensation.
- Ask for references from past customers.
- Check with the Better Business Bureau for complaints against the contractors.

### **Establishing the cost: getting estimates or proposals...**

- Number of estimates or proposals, 1, 2 or 3.
- Do you have;
  - a complete description of the renovations to be done by the selected contractor?
  - Shop drawings or cut sheet literature showing different products that could be used?
- Depending on the size of the project, plans or sketches and specifications of the renovations to be completed.

## Contract details...

- An agreement between you and your contractor about the repairs to be done.
- Correct and complete address of the property where the renovations will be done.
- Your name and address.
- Contractor's name, address, telephone and HST numbers.
- Copy of Contractor's insurance.
- A Clearance Certificate from PEI Repairers Compensation Board.  
*(You may be liable for WCB premiums if the contractor is in arrears or could be sued by an uninsured contractor who is injured while repairing on your property)*
- Detailed description of the renovations, plans (or sketches) and a detailed specification of the materials (type, quality, model) to be used.
- The right to retain a lien holdback as specified in provincial law.
- A clause stating that renovations will conform to the requirements of all applicable codes, such as building, safety and fire codes.
- Start and completion dates.
- The price and payment schedule  
*(PEI Requires 15% lien holdback in contracts above \$15,000 and 20% for smaller amounts and must be held 60 days past substantial completion of the contract). Liens on PEI must be filed within 60 of doing the last repair.*
- Agreement on who (homeowner or contractor) is responsible for all necessary permits, licenses, inspections and certificates.
- The contractor shall remove from the site all extra fill and debris resulting from any renovations as outlined in the scope of repair and shall dispose of in accordance with Dept. of Environment policies and procedures.