

# CONSUMER ADVISORY

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## Don't Let a Contractor "Put the Fix in" on YOUR Home Repairs & Improvements!

If you own a home, you're taking care of one of your life's most important investments. Routine maintenance, making needed repairs and occasional improvements should help you protect and perhaps even increase your home's value.

Unfortunately, home repair and home improvement scams are among the Consumer Protection Division's top consumer complaints. This type of fraud includes contractors who ask for substantial up-front payments, do little or no work, or never finish the job right. It can also include contractors who offer a low price and then unrealistically charge more as the job progresses, otherwise known as "lowballing." And then there are "fly-by-night" traveling con artists working their roofing, paving, chimney repair, and "green energy" improvement scams. Tree trimming and "storm chaser" con artists often show up in the wake of damaging storms.

### Tips to finding a good contractor and avoiding home repair scams and disputes:

- 1. Watch for scams at your doorstep**, where someone shows up and says your driveway needs repaving, or your house needs new shingles – and they "just *happen* to have materials left over" at a big discount! Just say no to a deal that is based on "extra materials," someone demanding an immediate decision, or a contractor who only accepts cash.
- 2. Check out and interview contractors** before you sign a contract or pay any money. Request local references and contact them! Check on complaints with the Attorney General's Office (515-281-5926, or 888-777-4590) and check with the Better Business Bureau. Check to see if a contractor has been sued by unsatisfied customers (or sued them) -- go to [www.iowacourts.state.ia.us](http://www.iowacourts.state.ia.us). Check on a contractor's registration and bonding (which doesn't guarantee quality of work) at [www.iowaworkforce.org/labor](http://www.iowaworkforce.org/labor). Ask for a copy of the contractor's liability insurance certificate. Be wary of a person or company not listed in the local telephone directory.
- 3. Get several written estimates, choose the best, and get a contract in writing (and don't forget to read it!).** Before work begins, agree on a *written* contract detailing terms including the work to be done, the brand and/or the specifications of the materials to be used, the price, who is responsible for permits, and that all change orders must be in writing. Put start and completion dates in writing, and the remedies if the contractor fails to meet them. (Example: the contract could be nullified if the contractor doesn't start on time.) If you're filing an insurance claim to cover the costs of damages, negotiate the details with your insurance company directly and not through a contractor. It's usually safer and a better deal to obtain financing through your local bank or credit union, rather than a contractor. If you sign a contract somewhere other than the contractor's regular place of business, such as at your home, you have three business days to cancel the contract without penalty.
- 4. Avoid paying large sums or the entire job up-front.** If you need to make a partial advance payment for materials, make your check out to the supplier *and* the contractor. Insist on a "mechanic's lien waiver" in case the contractor fails to pay others for materials or labor.

To file a complaint or get more information, contact the Iowa Attorney General's Consumer Protection Division, Hoover Bldg., Des Moines, IA 50319. Call 515-281-5926, or outside Des Moines call toll-free at 1-888-777-4590. Our website is: [www.iowaAttorneyGeneral.gov](http://www.iowaAttorneyGeneral.gov).