

HIRE IT DONE U: BEWARE OF CONTRACTOR FRAUD UPON SEVERE WEATHER REPAIRS

The U.S. Department of Homeland Security's Federal Emergency Management Agency (FEMA) urge homeowners to be extremely cautious when hiring contractors to repair or rebuild property damaged by the recent storms, tornadoes and flooding.

"Unfortunately, disasters can attract unscrupulous contractors who will try to take advantage of people trying to recover from a natural disaster," said Thomas J. Costello, FEMA's Federal Coordinating Officer.

"Those who have sustained damage need to be aware that there are people who would try to profit from their misfortune,"

FEMA offers the following tips to those who are beginning the process of rebuilding disaster-damaged property:

- Try not to rush into starting repair work.
- Get estimates from more than one licensed, bonded, reputable contractor. Call your local Better Business Bureau to check out a contractor.
- Find out what neighbors are paying for similar work.
- Be wary of contractors who claim: "I can get to you right away and do it cheap."
- Write down the license plate number and driver's license number of anyone offering services.
- Ask to see proof of the necessary contractor's licenses and building permits.
- Make certain the contractor shows you a certificate of insurance covering liability and workers' compensation. Otherwise, you could be sued if a worker is injured while working on your property.
- Get a contract in writing. It should cover what work is to be done, when the work will start, cost and payment schedules, and the quality of materials to be used.
- Make sure repairs are done according to local building codes.
- Be careful that your signature on a contractor's bid is not an authorization to begin work.
- Don't pay more than 20% down for the contractor to begin work. Then, pay periodically, according to the progress of the work.
- If the contractor insists on payment for materials up front, then go with him or her to buy the materials or pay the supplier yourself.
- Have the contractor sign a release of lien when the work is done and paid for; this will prevent the contractor from making legal claims against your property in the event of a dispute later.
- Don't make final payment until the job is finished and you are satisfied with it.
- Make sure all work that requires city or county inspection is officially approved in writing before making final payment to the contractor. You may even want a structural engineer to double-check major repairs before you make a final payment.
- Don't sign over an insurance settlement check to the contractor.