

DID YOU HIRE A BAD HOME CONTRACTOR? HERE'S HOW TO KNOW

By Merilee A. Kern

Remodeling, repairing or building your home is a major undertaking that can be stressful, costly and time-consuming — even when everything goes smoothly. Ideally, your residential real estate contractor is a reputable, honest and reliable company that is truly making a significant effort to provide you the best quality result within a reasonable amount of time. However, sometimes contractor-driven home improvement or construction projects don't go according to plan due to an inept — or outright deceitful — contractor, a situation that can be painfully difficult to know at the onset.

At project onset, it's critical for homeowners to position themselves in a way to identify dishonest contractors and ensure that the project goes smoothly, properly and with as few problems as possible.

"Home improvement projects should be fun but, for many homeowners, they can turn into frustrating nightmares due to dishonest contractors," said Paul Dashevsky, co-CEO of GreatBuildz.com.

While the majority of contractors are honest professionals, some employ deceptive practices about pricing, resources and schedules that can drain a customer's budget, lessen quality with bait-and-switch materials, avoidably stretch out the project timeline and generally cause homeowner headaches, sometimes even before the project starts, he continued.

"Generally, home contractors know much more than homeowners about construction processes, materials, costs and best practices, making it easier to lie to their clients — many who often never realize they are being intentionally deceived," he laments.

To help consumers better spot instances when their home contractor might be providing information and advice that's less than truthful, Dashevsky offered eight common lies that contractors tell their clients:

1. When providing an estimate or quote on your project, a contractor might tell you that their price is only good for a week, or some other self-imposed deadline, because "material prices will go up soon" or other feigned excuse. This is most likely a lie to get a customer to hire them as soon as possible, without proper time to do background research, check referrals, cross-reference pricing, validate recommended materials or approaches or garner bids from competitors.
2. Although many states have laws about the maximum deposit a contractor can take from a client before starting a project, some contractors will ask clients for substantial money before the project begins "because they need to buy materials." This is often untrue, and your payment may not be used to buy materials at all. Be wary when the deposit requested exceeds industry regulations contractors must abide by.
3. Contractors may tell you they are the highest quality, lowest cost and most honest builder in the city. In reality, no contractor can be the best at all things. If a contractor is much cheaper than the competition,

they could be skimping on the materials, labor or the permits. If they say they are the most honest, but do not want to give a fully itemized estimate or referrals, this is a big red flag.

4. Contractors may tell you they plan to use the best quality materials but instead install far lesser products and components — even used or degraded parts they find rummaging through their truck. Once the project is finished and the walls are closed up, many homeowners won't realize such sub-par materials were utilized despite having paid for "the best."
5. Contractors may tell you that every single one of their past clients was happy with their work. That's pretty unlikely considering nearly half of homeowners who remodel are unsatisfied with their contractor. Contractors who are humble and transparent enough to detail how they experienced — and ultimately overcame — problems tend to be more authentic.
6. Contractors will have you sign their contract and may tell you it's written to protect the client. More than likely, their contract was written by an attorney to protect them from any liability. This is exemplified by a contract is filled with one-sided clauses that seek to exclude or limit the contractor's liability for consequential items such as pricing, deadlines and materials. They may have language that is not very definite on when they can change the costs of the project, extend the time of the project without any penalty, or use low-quality materials — as opposed to all originally agreed upon.

Certain contracts can also have hidden costs, arbitration clauses which prevent you from suing or terms that make it hard to seek recourse for shoddy work. It is always advisable to get a lawyer to look at the contract before you sign.

7. Contractors may lie to you when it comes to explaining why things cost so much or should be implemented a certain way. Their excuses and reasonings will often seem valid, even though they are bogus. Ask for substantiations supported by paperwork, receipts, visual examples or other points of proof and validation.
8. Contractors may tell you that they're working "as fast as they can," even when there are constant delays on your project. They may be lying because their staff or crews are just stretched too thin with other projects, or they don't have enough staff to adhere to the originally agreed upon timeline. This kind of schedule conflict implies that the contractor is overextended and unprofessional, which means your project may drag on for far longer than it should. In the worst case, some contractors will drop active jobs for new ones in order to collect another set of deposits. If you see excuses being made more than once and work is being done at a curiously slow pace, it's either time to demand results or look for another contractor.

Dashevsky also offered seven warning signs to help you identify if you've hired a bad contractor.

1. Your contractor is always asking you for more money. They probably aren't managing their resources correctly. If the contractor wants you to pay 50% of the total project costs but it is only 10% done with the project, that's a red flag.
2. You contractor pressures you not to pull city permits because it will slow down the project. If a building permit is required for your project

by law, your contractor may not want to have their work reviewed by a city building inspector. That's a sign that their work may not be up to par — and their willingness to saddle you with legal or financial risk for unpermitted work.

3. Your contractor continually seems to find "extra work" on your project that requires you to pay for "change orders" that aren't included in their original price quote. They may be trying to increase your total costs to increase their own profit margin. While some change orders are expected in a major repair or remodel, a bad contractor might keep finding more and more add-ons.
4. Days or weeks go by without seeing the contractors' crew or staff at the project site. Contractors have an incentive to finish your job as fast as possible so they can move their crew to the next project. If they stop showing up frequently — or altogether — your contractor has taken on too many jobs and is stretched too thin. Your project will incur significant delays.
5. If a contractor asks to be paid in cash, never agree to do so. Paying a contractor in cash leaves you without a paper trail or evidence that you paid them at all. In a future dispute, you won't be able to legally prove that you paid the contractor. Particularly unscrupulous contractors might even claim you never paid them in cash or otherwise and pursue legal action.
6. You notice more than a few poor-quality results on your project. Check on project deliverables at every step and stage along the way.
7. While most contractors are busy managing multiple projects, the good ones make the effort to respond to their client's needs, questions and requests in a timely manner. Bad contractors will often ignore their clients and neglect to respond to a client for days or even weeks. In the meantime, concerns are left unaddressed, unresolved and perpetuated.

A good contractor will be professional and precise, open in their approach to your project and the work they are going to do for you or are currently doing for you.

"If you have concerns that you have engaged with a bad contractor, then you need to act: document everything that happens and if needed, and consider consulting with a lawyer," Dashevsky urged. "There is no need to be scared of looking for another professional to finish the job. In the end, use your best judgment and intuition when dealing with contractors; if something seems off, then it probably is."

Not all contractors are fraudsters, but it is always wise to be wary. Staying informed means staying protected. Be mindful to read the fine print and never make a decision quickly. Of course, contractors are not all thieves. Before hiring anyone, it is always important to research, read reviews and put everything into writing. A good contractor will welcome your attention, while a bad contractor will simply look for his next victim. Knowledge is power and a homeowner who does proper diligence is a scam contractor's nightmare.

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