

Many people can tell horror stories about home renovations.

- The contractor did such bad work, the whole job needed to be redone.
- The contractor charged you a lot more than they estimated.
- The contractor took your deposit and disappeared.

Most of these could have been avoided. Make sure you know how to protect yourself.

REMEMBER:

Home renovations can be complex. Bigger projects can go on for months. So don't rush into choosing a contractor. The time you take to learn about the contractor will pay for itself. Good contractors will be happy to answer your questions.

How can I protect myself?

Finding a good contractor

- Ask friends, family or neighbours who have had work done on their homes recently.
- Avoid contractors who offer a cash deal. These can be signs of an unscrupulous business – plus without a receipt, you have no proof of payment.
- Don't be pressured to sign a contract right away to take advantage of a door-to-door special.

TIP: Make sure that everything you ask for is in the estimate. Assume that anything not listed is not included in the price.

- Interview contractors to determine their qualifications and their “fit” with your project:
 - How well established is the contractor?
 - What is the contractor's reputation? Are there outstanding complaints? Check a company's track record by going to the Ministry of Consumer Services' online database at www.ontario.ca/ConsumerBeware.
 - Does the contractor have experience with the kind of project you have in mind? What kind of problems has the contractor encountered with similar projects, and how did the contractor resolve them?
 - Does the contractor have all required licences for this type of work?

Getting an accurate estimate

- Get an estimate from at least three contractors in person. Don't deal with a contractor that wants to give you an estimate over the phone or offers you a flat rate without inspecting the job site.
- Discuss your plans in detail with the contractors. They need a clear picture of what you want to achieve so they can give you an accurate estimate. Plus, they may be able to suggest options that will save you money or increase your satisfaction. Give an indication of your budget, so the contractor can provide a realistic response.
- Make sure you get everything you agreed to in writing. This includes:
 - The total cost.
 - Start and end dates of the work.
 - Cost for obtaining any permits that may be required (electrical, plumbing, building).
 - Specifications for particular products, type of flooring, brand of windows, etc.
 - What's included (or not) – materials, parts, labour.

Did you know?

Home renovations are the second most common complaint among Ontario consumers.

- How any changes will be handled.
- Site cleanup at the end of the project.
- Terms of payment, including deposit, interim or materials payments (if any) and holdback. As a rule of thumb:
 - Keep deposits to 10 per cent.
 - For larger jobs, it's reasonable for the contractor to demand a series of payments as the work proceeds.
 - Always keep a holdback – again, 10 per cent is good – until the work has been completed to your satisfaction.
- Terms of the warranty.
- The builder's name, address, telephone number and the full name of the person who provided the estimate.

Signing a contract

- Always read the fine print – the terms and conditions – before you sign. You may want to have a lawyer or knowledgeable friend review the contract with you.
- If you sign an agreement worth more than \$50 in your home, you may cancel within 10 days. Cancel in writing (letter, fax or e-mail) and be sure to keep a copy. If you think there may be a problem, consider sending the cancellation by registered mail so you can prove it was received.
- When the job is done, don't pay more than 10 per cent above the original estimate unless you agreed to the extra charges.