

What You Need to Know to Rebuild

Before You Repair or Rebuild:

- First, talk to your local building department. Determine what the procedures are for applying for a building permit, what inspections will be needed and what flood protection level it requires for your area.
- Before you make repairs or alterations to your home or property, make sure your plans are reviewed and approved by your local building department.
- Contact your mortgage lender and your homeowners association to determine if they have any approval requirements. A list of toll free numbers for mortgage lenders can be found at www.homeloanlearningcenter.org.
- You will usually have to get a permit for electrical work and repairs of structural damage, such as broken walls.
- Building codes often require that work be done only by licensed contractors. Some building departments and trade associations keep lists of contractors who work in the community. Some Web sites that might be helpful are <http://www.abc.org/>, <http://www.agc.org/index.wv> and <http://www.nari.org/>.

Tips for Choosing a Contractor:

- If you have been satisfied with work done by licensed local contractors in the past, try them first. If they cannot help you, ask them for recommendations.
- If you must hire a contractor you do not know, talk to several contractors before you sign anything. Ask questions such as:
 - Have you done similar work to what I need done?*
 - How many projects like mine have you completed in the past year?*
 - Will you be using subcontractors on this job?*
 - What type of warranty will you offer on your work?*
- Ask for references. Contractors should be willing to provide names of previous customers. Call some of the customers and ask if they would hire the contractor again.
- Be cautious when contractors you don't know offer "special deals" after a disaster or want to use your home as a "model home."
- Resist dealing with any contractor who asks you to pay for the entire job up-front. A deposit of one-third of the total price is standard procedure. Pay only by check or credit card. Don't pay cash.

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- Check on the firm's reputation. The local Better Business Bureau, home builders association, or building trades council are excellent sources. Ask if the business has had unanswered complaints filed against it.
- Ask for proof of insurance. Be sure the contractor has disability and worker's compensation insurance. If the contractor is not insured, you may be liable for accidents on your property.
- Ask for a written estimate. Check it to make sure it includes everything you expect the contractor to do. Some contractors charge a fee for an estimate, which is understandable because they have plenty of work to do after a natural disaster.
- Ask for a contract. The contract should be complete and clearly state all the work, the costs, and the payment schedule. Never sign a blank contract or one with blank spaces. Do not sign a contract when a salesperson has pressured you. Federal law requires a three-day "cooling off" period for unsolicited door-to-door sales of more than \$25. If you want to cancel such a contract within three business days of signing it, send your cancellation by registered mail.
- Depending on the amount, it may be beneficial to have an attorney look at the contract before you sign it.
- Ask for any guarantees in writing. If the contractor provides guarantees, they should be written into the contract, clearly stating what is guaranteed, who is responsible for the guarantee (the store where you made the purchase, the contractor, or the manufacturer), and how long the guarantee is valid.
- Obtain an original copy of the final signed contract. Once signed, it is binding on both you and the contractor.
- Make sure your contractor calls you or a qualified observer to inspect work before it is covered over. Shoddy work on sewers or basement walls will be hidden from view, and you won't know if there is a problem until the next flood. Most building departments will want to inspect electrical and plumbing lines before the walls are covered with wallboard or paneling.
- Don't sign completion papers or make the final payment until the work is completed to your satisfaction. A reputable contractor will not threaten you or pressure you to sign if the job is not finished properly. Areas recuperating from natural disasters are often prime targets for less than-honest business activities.
- If you are a victim of fraud or have problems with a less than reputable contractor, the state or local consumer protection office or public attorney should be able to tell you what to do. You can also file a complaint with the Federal Trade Commission (visit: www.ftc.gov or call toll-free, **1-877-FTC-HELP**; TTY: **1-866-653-4261**) or the Better Business Bureau (<http://complaint.bbb.org/>; **(703) 276-0100**)
- Consider opening an escrow account at a local bank to help manage the re-building process. Escrow accounts are special funds set up at banks often used when building a house or doing major repairs or renovations. It gives you added security in dealing with contractors, as you have a lender who has more leverage if you are unhappy with the work.