

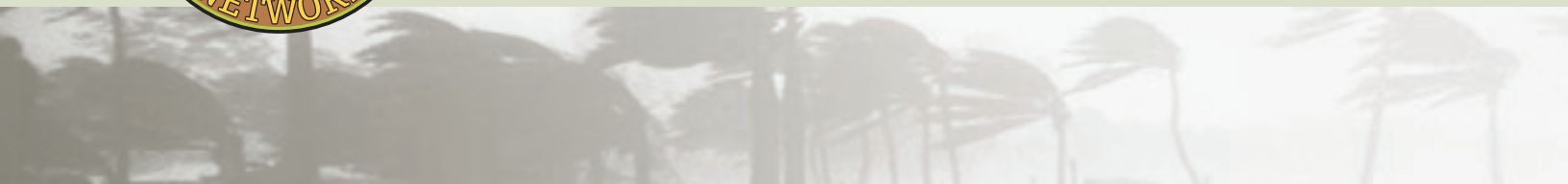
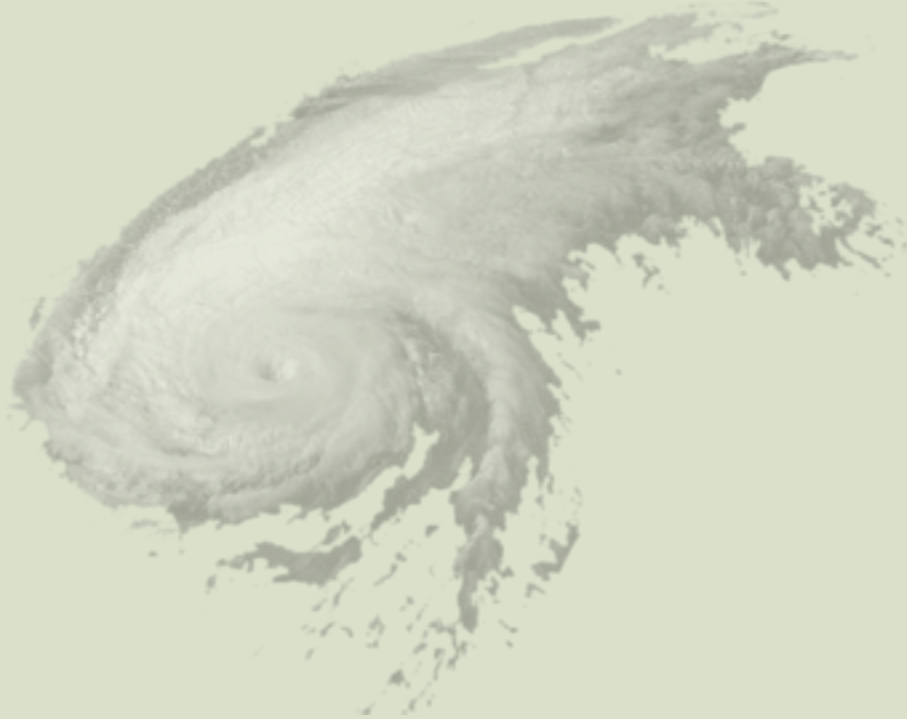
Rebuilding After a Storm:

A Homeowners Guide to
Repairing Your Home
After a Disaster Strikes



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**Don't Become
a Victim a
Second Time**

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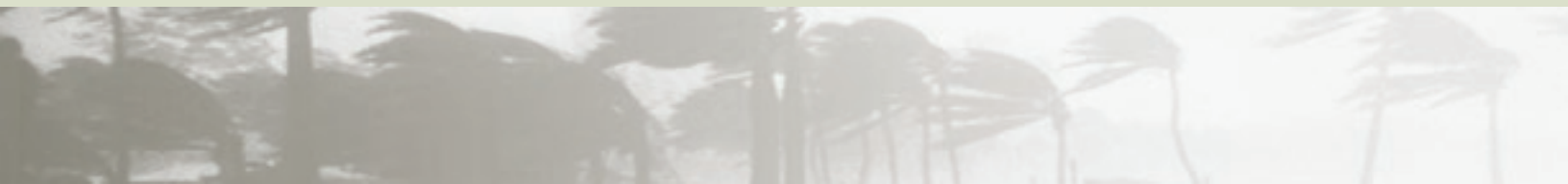
Remember the old adage: "If it sounds too good to be true, it probably is." Check to be sure that the contractor you choose is a registered, licensed professional.

In the blink of an eye, a natural disaster like a hurricane, tornado, or flood can turn your world upside down. After disaster strikes, repairing or rebuilding your home will help you and your family get your lives back to normal. But remember, when the storm is over, the worst is not. Damaged homes can pose great danger.

While recovery is a slow and painful process, there are steps you can take to ensure you don't become a victim a second time.

Be cautious about hiring contractors to repair or rebuild your damaged property.

Disasters can bring out dishonest individuals posing as licensed contractors, attempting to win your confidence. Remember the old adage: "If it sounds too good to be true, it probably is." Check to be sure that the contractor you choose is a registered, licensed professional.



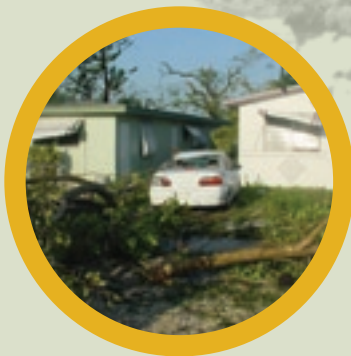


Repairing or Rebuilding your Home

Repairing or Rebuilding your Home

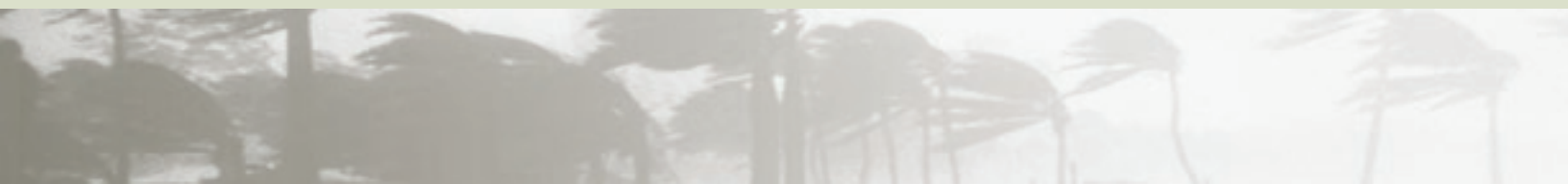
Before you begin building...

If you're looking at an extensive repair or rebuilding project, you'll probably need a general contractor to oversee the entire project.



Repairing or rebuilding your home after a disaster is a major undertaking and requires careful consideration. Whether you will be hiring a homebuilder, or acting as your own general contractor, you need to ask and answer many of the same questions that you would if you were building a new house:

- ✓ What is your budget?
- ✓ How much of the cost will be covered by insurance?
- ✓ What building codes must be followed?
- ✓ How involved do you want to be?
- ✓ Who will be running the project?
- ✓ What is your time frame?



Finding a General Contractor



Finding a General Contractor

Finding a good general contractor to repair or rebuild after a disaster can be a difficult decision. You may feel rushed, you may be exhausted, but you need to follow a few rules when making the hire and signing the contract.

Where Should I Begin?

If you have minor damage, you may be able to oversee the repairs yourself using subcontractors. If the damage to your home is extensive, you'll probably need to hire a general contractor.

Go to the Disaster Contractors Network Virtual Operations Center on the DCN web site <http://www.dcnonline.org> and perform a license check on the contractor you are considering.

Ask friends for references. Look in the phone book. Call several contractors and ask these questions before narrowing down your field of candidates:

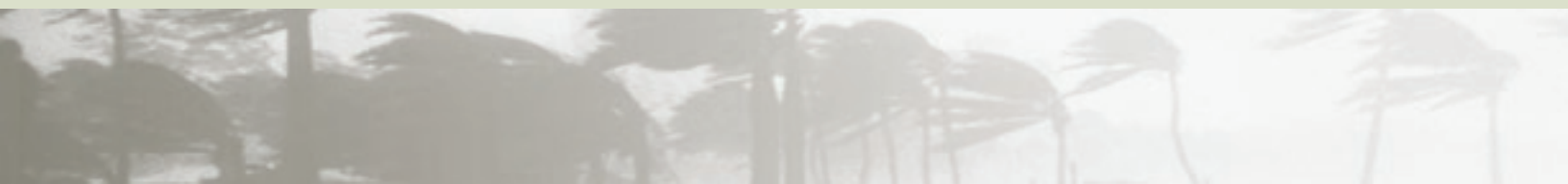
- ✓ Are they licensed and insured?
- ✓ Can they provide references of satisfied customers?

If their answer is yes, set up a meeting and ask them to bring along names and phone numbers of satisfied customers and photographs of successfully completed work.

No. 1 Rule: Make Sure the Contractor is Licensed

In Florida, it is very easy to determine if the contractor you are considering is properly licensed. Go to the Disaster Contractors Network Virtual Operations Center on the DCN web site <http://www.dcnonline.org> and perform a license check on the contractor you are considering.

On large jobs involving many construction skills, a single general contractor is usually hired, who in turn hires subcontractors. He or she will oversee and coordinate all of the work, pay the subcontractors (trades people hired by the contractor to perform specialized tasks), purchase the materials and take on the responsibility for completing the entire job.



A photograph of a family—a man, a woman, and a young boy—standing on a construction site. They are gathered around a table covered with large sheets of paper, likely blueprints or architectural plans. The man, wearing a red jacket and green pants, is pointing at a section of the plans. The woman, wearing a bright yellow sweater, stands behind the boy, who is also wearing a red sweater. They appear to be in a collaborative discussion. The background shows a wall of oriented strand board (OSB) and a dark doorway. The overall scene is brightly lit, suggesting an outdoor or well-lit indoor environment.

Your First Meeting with Potential Contractors

Your First Meeting with Potential Contractors

You can tell a lot by appearances. Is your prospective contractor professionally dressed? Does his or her vehicle have the name of the business prominently and permanently displayed?



- ✓ Review any plans or drawings you have.
- ✓ Ask about incorporating mitigation techniques into your rebuilding plan to prevent potential damages in future disasters.
- ✓ Ask for suggestions about changes that might save you money.
- ✓ Ask the contractor how many jobs he or she may have ongoing, in order to get an idea of how much direct supervision your job will receive. This can be particularly crucial in a large disaster when the contractor may have many competing jobs.
- ✓ Ask for proof that he or she is registered with the state and insured against liability claims.
- ✓ Ask each contractor candidate to prepare a bid (a price quote) in writing for the job.

Additional Questions to Ask a Contractor:

- ✓ How long have you been doing this type of work?
- ✓ Which jobs do you subcontract?
- ✓ What is your average inspection performance? (The higher the percentage, the better)
- ✓ Are you a member of the local Home Builders Association, the Board of Realtors or any other local professional trade organization?
- ✓ Which lending institution provides your construction loans?
- ✓ How will you handle financing the work?
- ✓ How do you prefer to communicate with me-- phone calls, on-site visits, notes?
- ✓ Who else in your organization can give you information about progress?
- ✓ Do you participate in a group warranty program or offer your own?
- ✓ Have there ever been any warranty claims filed on a home you built or repaired?

At this time, give each of your general contractor prospects identical sets of plans or written project specifications; and let them know the grade of materials you want used and the timeframe you expect for completion of the project.



The Bids

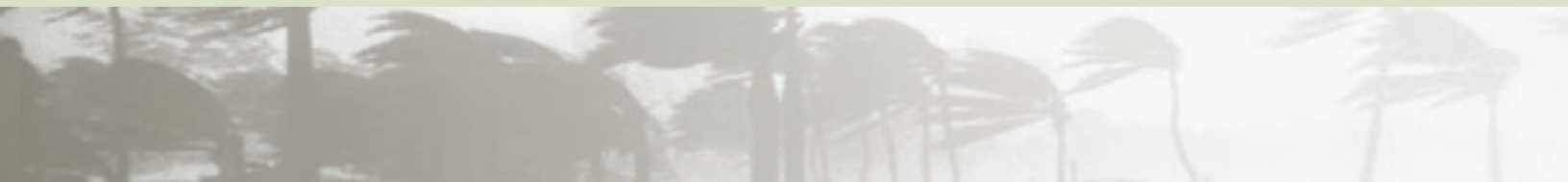


The Bids



You've gotten your bid. Make sure the following questions are answered:

- ✓ How long will the bids be valid?
- ✓ How will changes or additions to the plans be handled?
- ✓ Will the contractor obtain all necessary permits and handle related paperwork?
- ✓ How will workers protect your home and valuables and minimize disruption during the repair or construction?
- ✓ How will debris be removed?
- ✓ What hours will they typically work?



The Final Selection



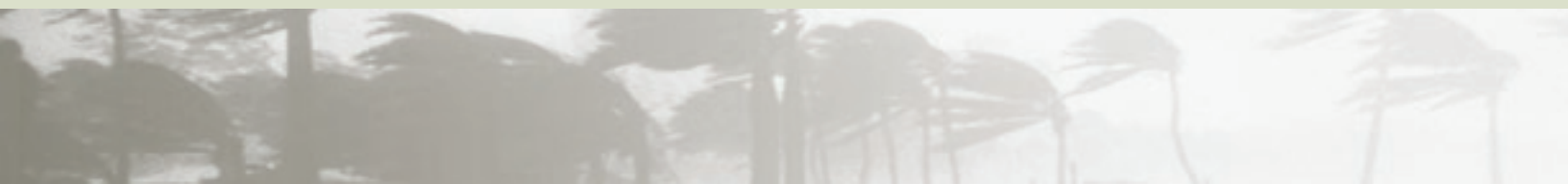
The Final Selection

Don't automatically go the lowest bid. If one bid is substantially lower than the others, the candidate may be inexperienced or intends to cut corners.

Don't automatically go with the lowest bid. If one bid is much lower than the others, the candidate may be inexperienced or intends to cut corners. Do some digging to find out why that bid is low (a common cause is vague specifications). Beyond the bids, there are still several important considerations that can make or break your project:



- ✓ Make sure you hire as a general contractor someone who will listen to what you say and with whom you can work out problems. If, during the selection process, misunderstandings repeatedly come up between you and a contractor candidate, you're probably better off hiring someone else.
- ✓ How financially solvent is he or she? You can call bank or credit references to find out.





**Sign a GOOD
Contract**

Sign a Good Contract

Remember to Follow these Common-Sense Guidelines

- ✓ Get estimates from at least three licensed, bonded contractors. Beware of contractors soliciting work door-to-door.
- ✓ Ask for and check references of other work the contractor has done.
- ✓ Ask for proof of insurance.
- ✓ Ask for written estimate. Read the fine print.
- ✓ Get a contract in writing.
- ✓ Never make full payment up front. Don't sign over an insurance settlement check to the contractor.
- ✓ Don't make final payment until the job is finished.
- ✓ Make sure all work that requires city or county inspection is officially approved in writing before final payment is made.

A contract is a binding agreement between two or more parties that is enforceable by law.

A good contract is the best way to minimize misunderstandings and disputes on a major building project. Whether you use a standard form contract from your contractor or draw one up yourself, it's a good idea to have your attorney review this document before you sign it. Be sure the contract clearly specifies the following points:

- ✓ A description of the project, including the site address.
- ✓ The names and addresses of you and the builder.
- ✓ The builder/contractors license and insurance information
- ✓ A detailed description of all work to be performed, including who is responsible for obtaining building permits and other permissions.
- ✓ If a permit is in your name, you--not the contractor--you become responsible for seeing that all work performed meets applicable standards and that all necessary inspections are scheduled.
- ✓ Clear identification of all materials; the more detailed and specific the better.
- ✓ Start and completion dates.
- ✓ Consider a penalty clause for delayed completion and a bonus clause for early completion.
- ✓ When and how payments will be made; do not pay more than one-third up front. As a rule, additional payments are made at various stages of completion. Final payment should not be made until the work is complete, inspected, approved and cleared of all liens.
- ✓ The contractor's warranty; ask for a minimum of one-year guarantee on his or her work.
- ✓ It may be possible for subcontractors to place a lien on your property if the contractor doesn't pay them. Speak with your local building department about how to handle this situation

Typical Content of a Building Contract



Typical Content of a Building Contract

- ✓ Names of all parties
- ✓ Addresses of all parties
- ✓ Contractor's license and insurance information
- ✓ Phone, fax, email contacts and procedures for contacting all parties
- ✓ Date of contract
- ✓ Property description
- ✓ Street address
- ✓ Subdivision
- ✓ Homeowners association
- ✓ Amount of contract
- ✓ Terms of financing
- ✓ Construction draw schedule
- ✓ Construction draw procedure
- ✓ Insurance requirements
- ✓ Start date and definition
- ✓ Substantial completion date and definition
- ✓ Plans, drawings, blueprints, sketches
- ✓ Specifications - as complete as possible
- ✓ Substitution policy
- ✓ Allowances - including labor and/or material
- ✓ Change order procedures and pricing
- ✓ Exclusions to the contract
- ✓ Authorized delay conditions
- ✓ Penalties or fines
- ✓ Access to the repair or construction site
- ✓ Owner, lender, and third party inspection procedures
- ✓ Methods to solve disputes
- ✓ Arbitration clause
- ✓ Settlement terms
- ✓ Formal notification times and procedures
- ✓ Warranties and service policies
- ✓ Any documents required by state or local laws
- ✓ Signatures and dates of all parties on every page of every document with original copies for all signing parties
- ✓ Witness to all signatures
- ✓ And anything else about which two or more people can disagree, misunderstand, fail to do, install improperly, overlook, ignore, or that otherwise might create a problem between any or all of the aforementioned parties.

Do not sign any agreement with which you are not completely comfortable. If there is any part of a contract that does not make sense to you or with which you do not agree, you should clarify and/or change it so that it accurately reflects your understanding of the agreement.

Take the time to thoroughly read the entire contract, be sure you understand what you are reading, speak up and make changes and additions where you feel they are necessary, and above all, seek competent legal advice, before you have the contractor start work.¹

¹ Information in this section was provided by B4UBuild.com at <http://www.b4ubuild.com/resources/contract/index.shtml>



Protecting Yourself from Contractor Fraud

Protecting Yourself from Contractor Fraud

If you do sign a contract and then have second thoughts, remember that the Federal Trade Commission's "Cooling Off Rule" may apply.

Your eagerness to get your house back to normal may be tempered when you hear stories about unscrupulous contractors who took large insurance payments from homeowners and then skipped town, new roofs that leak during a heavy downpour, and jobs begun but never completed. It's enough to make anybody wary.

But you can protect yourself by watching out for these warning signs:

- ✓ The contractor solicits business door-to-door. This sales approach is often accompanied by high pressure sales tactics, intimidation, and threats.
- ✓ You can't verify the builder or remodeler's name, address, telephone number, or credentials.
- ✓ The contractor claims to be endorsed by the Federal Housing Administration for the Title I home improvement loan program. More information on this type of deceptive advertising is available from the Department of Housing and Urban Development's at www.hud.gov.
- ✓ The contractor is not willing to offer references or the references provided were not happy with the contractor's work.
- ✓ You are asked to pay for the entire job in advance.
- ✓ The contractor will accept payment only in cash.
- ✓ If you do sign a contract and then have second thoughts, remember that the Federal Trade Commission's "Cooling Off Rule" may apply if the contract was signed somewhere other than the contractor's place of business (in your home, for example). Under this law, you have up to 72 hours to cancel the agreement.²



² Information in this section was provided by the National Association of Home Builders at <http://www.nahb.org>



Resolving Building Problems

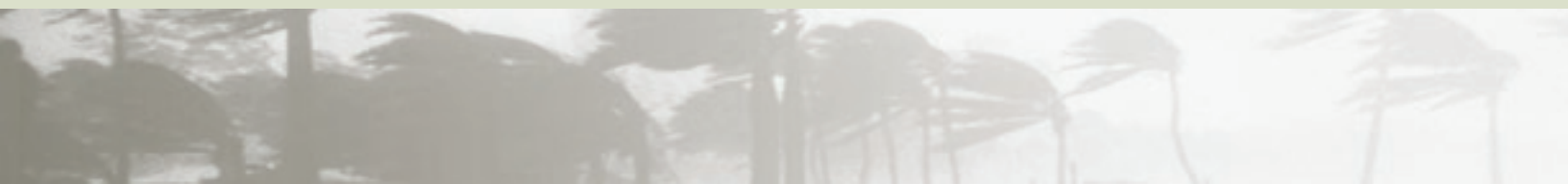
Resolving Building Problems

Do not send letters to lawyers, government agencies, homebuilders associations or any other third parties before you have given your builder a reasonable chance to correct the problem.

The typical house contains more than 3,000 different parts. It would be unrealistic to expect your repair or rebuilding job to be perfect. Even the best jobs are likely to need a few corrections. Most problems are corrected routinely by the contractor. However, if a non-routine problem should arise, you should follow certain procedures to correct the situation.

First, identify the exact nature of the problem. Then put it in writing and send it to the contractor. Many builders require all complaints to be in writing and will respond to telephone complaints only in emergencies. Use the following guidelines when you write your letter:

- ✓ Include your name, address, and home and work telephone numbers.
- ✓ Type your letter if possible. If not, use printing or handwriting that is easy to read.
- ✓ Keep your letter brief and to the point, but include all relevant details.
- ✓ State exactly what you want done and how soon you expect the problem to be resolved. Be reasonable.
- ✓ Include all relevant documents regarding the problem. Send copies, not originals.
- ✓ Keep a copy of the letter for your files.
- ✓ Before you write your letter, familiarize yourself with your warranty coverage. If a problem develops after the warranty has expired, the builder is not required to fix it under the terms of the written warranty. Some items, such as appliances, may be covered by manufacturers' warranties and are not the responsibility of the builder.



Always go directly to the builder with your complaints. Do not send letters to lawyers, government agencies, homebuilders associations or any other third parties before you have given your builder a reasonable chance to correct the problem. Interference from outsiders may impede the handling of your complaint. Also, sending angry, sarcastic or threatening letters is not likely to expedite your case. Such letters usually do more harm than good.

As a last resort, contact the state Department of Business and Professional Regulation. They have a system in place to investigate such problems.



Contact outsiders only if you have reached an impasse with your builder. Try to avoid legal proceedings. Lawsuits are expensive and time consuming and should be pursued only as a last resort.

In the event of an impasse, you may decide to contact your local homebuilders association. If your builder is a member, the local association may have a system for examining and resolving construction complaints without going to court. The builders association may be able to bring both sides together to reach an agreement. However, keep in mind that a builders association does not have the legal authority to compel either side in a dispute to do anything.

As a last resort, contact the state Department of Business and Professional Regulation. They have a system in place to investigate such problems. If you believe fraud is involved, you should also report it to the state Attorney General's Office.

Remember that most contractors are seeking customer referrals and repeat customers. They want you to be satisfied. If a problem develops, remain calm and approach your contractor in a reasonable manner. By following the procedures described above, chances are that you will be able to resolve any problems that arise.³

³ Information in this section was provided by the National Association of Home Builders at <http://www.nahb.org>



IMPORTANT CONTACTS



FEMA
www.fema.gov



Disaster Contractors Network
www.dcnOnline.org



Associated Builders and Contractors of Florida (ABC)
www.abcFlorida.com



Associated General Contractors (AGC)
www.dcnonline.org



**Florida Roofing, Sheet Metal and Air Conditioning
Contractors Association (FRSA)**
www.FloridaRoof.com



Florida Homebuilders Association (FHBA)
www.fhba.org



Center for Disaster Risk Policy
In Association with the Florida Public Affairs Center,
Florida State University
www.fpac.fsu.edu



Florida Department of Community Affairs
www.dca.state.fl.us



**Florida Department of
Business and Professional Regulation**
www.myflorida.com/dbpr



FEMA
www.fema.gov



Disaster Contractors Network
www.dcnOnline.org



Associated Builders and Contractors of Florida (ABC)
www.abcFlorida.com



Associated General Contractors (AGC)
www.flagc.com



**Florida Roofing, Sheet Metal and Air Conditioning
Contractors Association (FRSA)**
www.FloridaRoof.com



Florida Homebuilders Association (FHBA)
www.fhba.org



Center for Disaster Risk Policy
In Association with the Florida Public Affairs Center,
Florida State University
www.fpac.fsu.edu



Florida Department of Community Affairs
www.dca.state.fl.us



**Florida Department of
Business and Professional Regulation**
www.myflorida.com/dbpr