



CONTRACTORS

Contractor fraud occurs when individual contractors or firms offer services that knowingly mislead the other party, such as performing unsatisfactory repairs or charging more than a job is worth. Usually, these illegal acts are expensive for homeowners because they rack up costly bills or can even lead to unnecessary additional repairs.

Always Use A Licensed Contractor

- A contractor's license in TN is required before bidding or price negotiations when the total cost of the project is \$25,000 or more.
- For work less than \$25,000, check with your local government's building codes office to confirm whether a contractor needs a state license or local license to perform home improvement, electrical, plumbing or HVAC work, as well as their permit requirements for inspections.
- If you use a handyman, no license is required if the project is less than \$25,000. But make sure they have Workers Compensation insurance in case of an accident or injury while they are on your property to avoid a lawsuit for medical costs.
- Before selecting a professional, ensure they are properly licensed for the project by visiting <https://verify.tn.gov>.
- Get several bids and check references before committing to a contractor.
- Get a written contract that includes the company's name, address, and telephone number. The contract should also include an anticipated start and completion date, as well as when deposits and final payments are due.
- Make sure the contractor is insured to cover workers compensation, damage, and general liability insurance by requesting copies of the contractor's insurance certificates showing a current effective date.
- File all necessary documents with the Fairfield Glade ACC before beginning any outside home improvements.

Avoid Contractor Scams To avoid falling victim to deceptive sales tactics, TDCI (Tennessee Department of Commerce and Insurance) reminds consumers to look out for common red flags, such as:



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- Be wary of contractors selling repairs door-to-door, especially when they ask to receive payment upfront or offer deep discounts. NEVER give money up front;
- A person who offers services for a short time only, which makes consumers feel rushed and unable to research them properly;
- Unmarked trucks or vans, or a refusal or reluctance to set out complete and specific contract terms in writing;
- Being pressured to pay for more than a third of the cost upfront and make sure you have the terms of payment in writing.

Check the complaint and disciplinary history of a contractor by contacting the Contractor's Board by phone at (615) 741-8307 or by email at www.contractors.home-improvement@tn.gov. Reports of closed complaints with disciplinary action can be found on: www.tn.gov/commerce.

You can check with the Fairfield Glade ACC office for any reviews on the contractors. The ACC has binders containing forms completed by residents showing the name of the contractor, if the resident was satisfied with the work and/or any complaints/issues about the contractor you are considering.

To avoid a loan scam:

- Never agree to financing through your contractor without shopping around and comparing loan terms;
- Never agree to any loan without understanding the terms of the loan and knowing whether you can make the payments;
- Don't sign a document you haven't read, or that has blank spaces.
- Don't let anyone pressure you into signing any document;
- Never transfer your deed to anyone without consulting an attorney, a knowledgeable family member, or someone else you trust.

Report a Problem If you have a problem with a home improvement project:

- First, try to resolve it with the contractor. Many disputes can be resolved at this level.
- Follow any phone conversations with a letter you send by certified mail. Request a return receipt, so you can prove that the company got your letter.



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- Keep notes and copies of letters and documents for your files.

If you can't resolve it with the contractor, consider getting outside help from

- your local Police Department
- your state attorney general or local consumer protection office
- your local home builders association
- dispute resolution programs

"KEEP SAFE BY BEING PREPARED"