



RREM TIP SHEET

SELECTING AND WORKING WITH A CONTRACTOR

Homeowners are strongly encouraged to:

- **Get at least three written bids on the work to be performed.** This is to ensure you are getting the best quote for your project. There is no requirement to share your grant award amount with a contractor before they submit their bid. By not sharing your grant award, contractors are not able to give you a higher quote based on your award amount.
- **Ensure the contractor is in good standing.** Check for complaints through third-party sources such as:
 - The Better Business Bureau, at (609) 588-0808 or www.bbb.org;
 - The NJ Division of Consumer Affairs, at (973) 504-6200 or www.njconsumeraffairs.gov; and
 - Talking to your local municipal building official.
- **Make sure the contractor carries proper insurances.** See *RREM Tip Sheet: Insurance and Bonding* for additional info.
- **Once you have chosen your contractor, carefully read your contract.** Require your contractor to put your agreement and specific details of the work to be performed in writing (including all warranties and guarantees). You must have your contractor complete the *Mandatory Contractor Addendum Form* to ensure your contractor understands all construction program requirements and incorporates them into their contract.
- **Please be aware that industry standard for markup costs is 10%.**
- **NEVER pay cash and ALWAYS ask for receipts.** Obtain official written invoices from your contractor and pay balances with check, money order, or certified funds.
- **NEVER pay the full amount of the repairs upfront.** Consider paying a deposit (if your contractor requires it), then pay the remaining balance after the work has passed NJ State and local requirements and the RREM Program Final Inspection and you have obtained a Certificate of Occupancy.
- **DO NOT sign completion papers until the work is completed and has passed all required inspections.**
- **If you need assistance with the contractor selection process or have any questions regarding your contractor, please contact Sandy Constituent Services at (609) 292-3750.**