

## **Your Due Diligence Will Save You Time and Money**

■ Among all that is involved in going forward with a remodeling project, making sure you and the General Contractor have an ironclad contract is of utmost importance. As a homeowner, due diligence in understanding and agreeing to the contractual agreement at the beginning of your professional relationship with your General Contractor will save both time and money throughout the remodeling process.

■ A contract should specify a start and end date of the project as well as a payment schedule outlining the down payment and subsequent payments.

■ Your contract should include all costs (whether a 'Time and Materials' agreement or 'Fixed Sum' contract) along with a detailed description of materials used. A Fixed Sum agreement requires the contractor to perform work for one lump sum, assuming all responsibility for completing the job. The contract should also describe colors, brands, sizes and model numbers in a detailed list, if available.

■ An alternative costs valuation contract offered by some contractors is determined by allowances and/ or over budget costs.

■ Make sure your contractor secures permits for every job. If you obtain the permits yourself, the liability rests on you if anything is not up to code.

■ Further safeguards in contracts include warranties and such provisions for dispute resolution such as mediation or binding arbitration. Your time and your money are worthy of an ironclad contract.