



Souder Brothers Construction Inc.

Tel. 267.282.5076

www.souderbrothersconstruction.com

499-A Horsham Road, Horsham PA 19044

8 Questions to Ask Before Hiring a Commercial Contractor

Hiring a contractor in Philadelphia can often feel like stepping gingerly through a minefield, especially where commercial building projects are concerned. But there are steps you can take to ensure you'll be working with a reputable and reliable builder who will see your project through to successful completion. Our advice? When you meet with a potential contractor, ask them each of the following eight questions, and take notes while they answer.

Are you licensed? Being licensed is a valuable measure of your contractor's commitment and capabilities. The City of Philadelphia's Department of Licenses & Inspections maintains an online list of professional contractors who are legally licensed to work in the city.

Are you insured? Be sure to ask about general liability and worker's compensation insurance. You need to be protected in the event that something is damaged by the contractor or his employees, and worker's comp insurance protects you from liability if there are any injuries.

Do you guarantee you work? Determining whether, and how, a contractor guarantees his work is very important. Establish how your contractor will address any issues encountered, both during the build and after it's completed.

Who is the job foreman? You'll want to meet with the person responsible for the day-to-day management of your project before you decide on a contractor. If possible, meet with the foreman who will be in charge of your project at a site they're currently working on.

Will you itemize my bid? A contractor should be willing to itemize the major components that make up your job, at least to a certain extent. A fair and reliable contractor will provide a breakdown of your costs without trying to gouge you by hiding fees within the bid.



Souder Brothers Construction Inc.

Tel. 267.282.5076

www.souderbrothersconstruction.com

499-A Horsham Road, Horsham PA 19044

8 Questions to Ask Before Hiring a Commercial Contractor

Is the bid an estimate or a fixed price? Change orders are a reality in most commercial contracting projects, so if the bid you're being offered is an estimate, make sure you know exactly how any changes in work and price will be documented. Most contractors will note any significant change orders in writing before the work in question begins. Both you and your contractor should sign each change order.

Will you give me an agreement in writing? A contractor who isn't willing to put anything in writing is not a contractor you want to do business with. But even if your contractor seems on the level, make sure the details of your project are clearly explained in a written agreement, which should include start dates, the estimated length of the project, and information about any required permits. Adding a change order clause is also a good idea.

How much money will I have to put down? It's common for a contractor to require a down payment of some sort before starting a project, but you'll want to be prepared with an exact figure—and a due-date for that first bill—well in advance. Bear in mind that a contractor with a healthy cash flow probably won't ask for a significantly large down-payment; 15-20 percent is a good estimate.



If you'd like to read the full article we wrote on this topic, "How to Choose the Right Commercial Contractor for Your Philadelphia Project," go to:

www.SouderBrothersConstruction.com/blog/commercial-contractor-philly