

## 5 Mistakes People Make When Hiring a Roofing Contractor -Avoid Getting Ripped Off

In the aftermath of the recent storms, neighborhoods are typically flooded with roofing salespeople and flyers. Texas is one of the few states left in the country without some sort of state licensing requirement for roofers. It can be difficult for homeowners to weed out the good roofing contractors from the bad.

To help, **SPS Roofing** has compiled a list of the top shady roofing practices reported by governing roofing organization and homeowners.

### 1. Contingency Contracts

Contingency contracts are a common practice for many roofing companies. When the homeowner is aware of the contingency and understands and agrees to it the homeowner is safe. When a roofing company hides the language in fine print AND rushes a homeowner to sign a contract without discussing the contingency with the homeowner, it becomes shady business practice. Most typically what's been reported to us is a roofing company promising "free" emergency repairs, a roof inspection and/or roof tarping if a homeowner will sign an agreement. In the fine print are details that tie the homeowner to that roofing contractor in the event that the homeowner's insurance company pays for a roof replacement.

*TIP: Always read everything (even the fine print) before signing anything.*

### 2. Contractors Asking for Money Upfront

If a contractor asks for money upfront, that could be the sign of a potential red flag. The elderly, in particular, are often targeted by scammers who get payment (partial or in full) upfront and then never return or complete the work. This is the most common scam that SPS Roofing has seen. In some cases, a partial payment upfront is not cause for alarm, such as 1) when a partial payment is required for materials, after they have been delivered to the project location and 2) if a special, high-end product is required, such as a specialty type of slate material.

*TIP: Do significant research on any roofing contractor before paying them anything; never hand over your insurance check to a roofing company or any other contractor; and do not make a final payment before a job is complete.*

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## 3. Contractors Offering “Free Roof” or to Help to Waive Insurance Deductible

Texas law requires homeowners to pay the full insurance deductible they agreed to pay in their property insurance policy. It is ILLEGAL in Texas and a class B misdemeanor (punishable by a jail sentence of up to 180 days + a \$2,000 fine) if a contractor pays, waives, absorbs, rebates, credits or otherwise declines to charge or collect a deductible. Additionally, insurance companies have the right to request reasonable proof that the deductible has been paid before making a payment. This law aims to protect consumers by helping to eliminate shady “free roof” practices many contractors employed in the past, which often led to consumers unknowingly participating in insurance fraud and contractors cutting important corners to make up the difference.

*TIP: If a roofing company’s sales pitch offers to bypass this law (or their contract does not include the required language about this law), that is a RED FLAG. If they’re willing to break the law, what other rules, laws and codes are they willing to ignore?*

## 4. Roofing Companies Acting as Insurance Adjusters

Another red flag is when roofing contractors act as insurance adjusters and claim they can help homeowners negotiate or “work” their claim. This practice is illegal – a single company/person cannot act as both a homeowner’s roofer AND their insurance adjuster. During special circumstances, COVID-19, adjusters may request the roofing company to assist them in acquiring evidence of damage to expedite the claim.

*TIP: Talk with your insurance adjuster about the claim and your roofing contractor about the scope of work to be performed.*

## 5. Storm Chasers – Here Today, Gone Tomorrow

In Texas, anyone can hang up a “shingle” and call themselves a roofing company. And when storms hit in Texas, we see an influx of out-of-town roofers (a.k.a. storm chasers), who “work the storm” and then leave town not long after the storms do, unable and unwilling to service any kind of warranty they promised. Similarly, we also see “in-town” storm chasers, who may be from the area, but have no roofing expertise, yet suddenly jump into the roofing business simply because there is significant opportunity to make money.

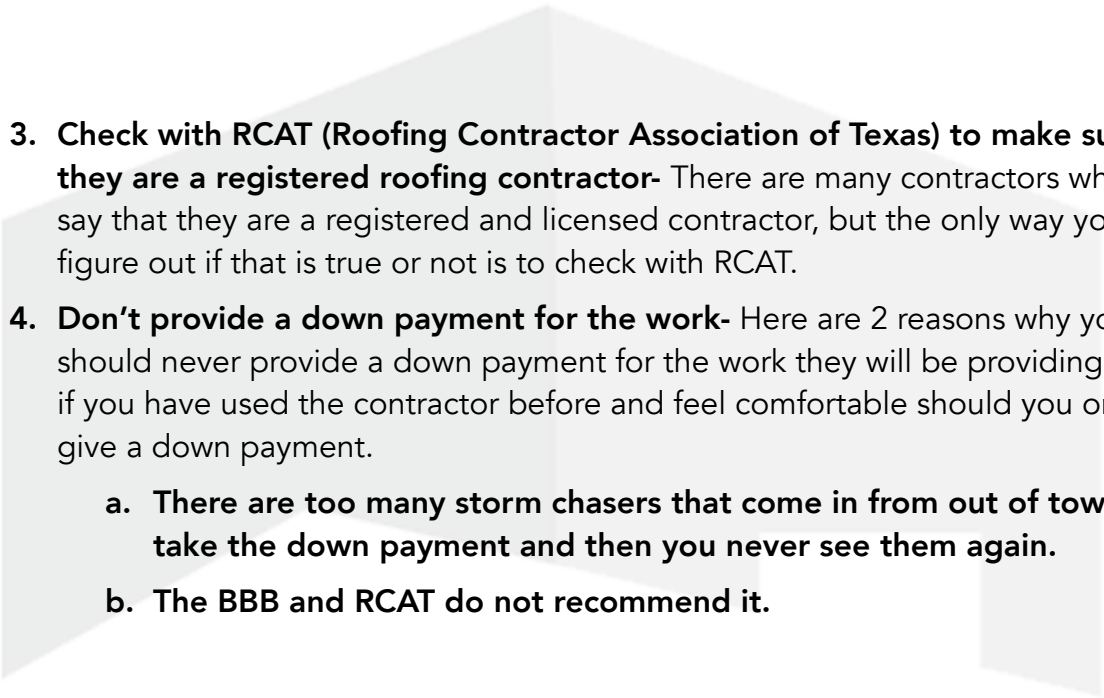
*TIP: pick a company that is local, experienced and a member in good standing with a professional roofing organization.*

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## 4 Steps to Avoid Getting Ripped Off

1. **Do your homework-** Doing your homework before you decide to hire a roofing contractor is very important to make sure your roofer is good at what he does, and is honest. There are a few questions you should ask before, otherwise, you might find yourself paying higher prices for the incompetence of an unlicensed or unqualified roofing contractor.
  - a. **Do you have Liability Coverage, and a current license?** The answers to these questions need to be YES, always. As a follow up always ask for a copy of each of these documents. You need to make sure they are up to date and in effect.
  - b. **Can I have a list of references?** It is crucial that you follow up on the roofer by checking his references, both previous clients and professional affiliations.
  - c. **Do you provide a written estimate?** Getting into a contract without a detailed estimate can cause problems in the long run. Make sure that they include the cost of removing the old roof, adding the new roof, and anything that could come up in the process.
  - d. **What is the approximate time frame for the repairs?** It is always important to ask the roofer how long the repairs will take in order for the roofer to commit to an articulated deadline for the project's completion.
  - e. **What do I need to do to prepare before the work begins?** This is an important step that many people often overlook. The homeowner needs to be prepared before the work actually begins.
  - f. **What is the exact type of roofing system that will be installed?** The contractor should explain in detail the products proposed for the roof and provide written evidence on the contract.
  - g. **What are the details of the warranty?** The contract should provide at least two years on workmanship. For the manufacturer's warranty, ask if it covers both materials and workmanship or is it a materials-only warranty.
2. **Check with the BBB (Better Business Bureau)-** The Better Business Bureau is an important place to check with before you make any decision on hiring a roofing contractor. They have a list of accredited roofing contractors that have a reputable history.

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3. **Check with RCAT (Roofing Contractor Association of Texas) to make sure they are a registered roofing contractor-** There are many contractors who will say that they are a registered and licensed contractor, but the only way you can figure out if that is true or not is to check with RCAT.
  4. **Don't provide a down payment for the work-** Here are 2 reasons why you should never provide a down payment for the work they will be providing. Only if you have used the contractor before and feel comfortable should you only give a down payment.
    - a. **There are too many storm chasers that come in from out of town and take the down payment and then you never see them again.**
    - b. **The BBB and RCAT do not recommend it.**