

CONTRACTOR BID CHECKLIST

7 Red Flags to Check Before You Sign Anything

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Use this checklist on EVERY contractor walkthrough. Any 2 red flags = walk away.

01

The Bid Comes Back Too Fast

Expect 5–7 business days for a real bid. A number within 24–48 hrs is made up — designed to win the job, not reflect the actual cost. The fastest bid is almost never the most accurate one.

02

The Bid Is Not Itemized

Every trade, every room — separate line items. If you get a lump sum like "Full kitchen — \$45,000" with no breakdown, hand it back. No itemization = no accountability and no legal reference if they overcharge later.

03

They Ask for More Than 10% Upfront

California law limits deposits to 10% of the contract or \$1,000 — whichever is less. Structure payments by milestone: mobilization, framing complete, rough mechanical inspected, drywall, final punch list. Never pay ahead of completed work.

04

They Can't Provide Comparable References

Ask for 3 references from similar projects in the last 18 months. Then CALL them. Key question: "Would you hire this contractor again without hesitation?" The pause before they answer tells you everything.

05

Vague Answers About Permits

Ask directly: which items need permits, who pulls them, and what's your experience with the local building department? Vague answers = unpermitted work risk. In LA, unpermitted work must be disclosed at sale and can cost you \$80K–\$120K in negotiated price reductions.

06

They Pressure You to Decide Quickly

"I can only hold this price 48 hours" or "another investor wants my crew" are pressure tactics. A contractor with a strong reputation doesn't need urgency. Pressure to decide fast = something in their bid won't survive a closer look.

07

Your Gut Says No But the Number Says Yes

If they're dismissive of your questions, talk over you, or make you feel like a problem — that dynamic gets worse after they have your deposit. The number is one input. How they treat you before the contract is signed is a preview of how they'll treat you after.