

CONTRACT MAJOR HOME REPAIRS OR REMODELING

_____, Homeowner, desires to contract with, _____, Contractor, to perform certain work on property located at: _____

1. Job Description

The work to be performed under this agreement consists of the following (be specific): _____

2. Payment Terms

In exchange for the specified work, homeowner agrees to pay Contractor as follows (choose one and check the appropriate boxes):

a. \$ _____, payable all labor and materials, in installments by cash check as follows:

b. \$ _____, payable in installments for labor by cash check as follows:

Homeowner shall pay for material upon their delivery to the worksite, or as follows: _____

c. \$ _____, per hour for each hour of work performed up to a maximum of \$ _____ plus cost of materials to be billed by Contractor as follows: _____

d. \$ _____, including labor and materials for the first phase of the specified work;
\$ _____ payable by cash check at the beginning of the specified work;
and \$ _____ payable by cash check at completion of the first phase of the specific work. Terms for additional phases of the specific work shall be agreed upon by Contractor and Homeowner prior to the beginning of each additional phase and added to this contract as a written amendment

3. Time of Performance

The work specified in Clause 1 shall be (check the boxes and provide dates):

- started on or about _____
- completed on or about _____
- started and completed as follows: _____

Time is of the essence

4. Independent Contract Status

It is agreed that Contractor shall perform the specified work as an independent contract. Contractor (check the appropriate boxes and provide description, if necessary):

- maintains his or her own independent business.
- shall use his or her own tools and equipment except: _____
- shall perform the work independent of Homeowner’s supervision, being responsible only for satisfactory completion of the work.

Contractor may use subcontractors, but shall be solely responsible for supervising their work and for the quality of the work they produce.

5. License Status and Number

Contractor shall comply with all state and local licensing and registration requirements for type of work involved (check one box and provide description):

- Contractor’s state license or registration is for the following type of work and carries the following number:

- Contractor’s local license or registration is for the following type of work and carries the following number:

- Contractor is not required to have a license or registration for the specified work, for the following reasons:

6. Liability Waiver

If contractor is injured in the course of performing the specific work, Homeowner shall be exempt from liability for those injuries to the fullest extent allowed by law.

7. Permits and Approvals

(Check the appropriate boxes)

- Contractor Homeowner shall be responsible for determining which permits are necessary and for obtaining the permits.
- Contractor Homeowner shall pay for all state and local permits necessary for performing the specific work.
- Contractor Homeowner shall be responsible for obtaining approval from the local homeowner’s association, if required.

8. Liens and Waivers of Liens

To protect Homeowner against liens being filed by Contractor, subcontractors and providers of materials, Contractor agrees that (check one box and provide description, if necessary):

- Final payment to Contractor under Clause 2 shall be withheld by Homeowner until Contractor presents Homeowner with lien waivers, lien releases, or acknowledgment of full payment from each subcontractor and materials provider.
- All checks to Contractor shall also be made out jointly to all subcontractors and materials suppliers.
- Contractor shall not:
 - Use a subcontractor without first obtaining a lien waiver or release and delivering a copy to Homeowner; or
 - Use any materials without obtaining an “acknowledge of full payment” from the materials supplier and delivering a copy to Homeowner.
- Homeowner and Contractor agree that Homeowner shall be protected against liens in the following manner:

9. Materials

All materials shall be new, in compliance with all applicable laws and codes, and shall be covered by a manufacturer’s warranty if appropriate, except as follows:

The materials shall consist of (check one box and provide description, if necessary):

- the materials described in Clause 1.
- the materials described in the Schedule of Materials attached to this contract.
- the following items: _____

The materials shall be purchased by (check one box):

- Contractor, to be reimbursed as specified in Clause 2.
- Homeowner.

10. What Constitutes Completion

The work specified in Clause 1 shall be considered completed upon approval by Homeowner, provided that Homeowner’s approval shall not be unreasonably withheld. Except for the “retainage amount” of 10% of the contract price, substantial performance of the specified work in a workmanlike manner shall be considered sufficient grounds for Contractor to require final payment by Homeowner, except as provided in Clause 8 (Liens and Waiver of Liens).

11. Limited Warranties

Contractor will complete the specified work in a substantial and workmanlike manner according to standard practices prevalent in Contractor’s trade. Contractor warrants that: (check one or more boxes and provide descriptions, if necessary):

- the specified work will comply with all applicable building codes and regulations.
- the labor and materials provided as part of the specified work will be free from defects for _____ from the date of completion
- Additional warranties offered by the Contractor are as follows: _____

12. Dispute Resolution

If any dispute arises under the terms of this agreement, the parties agree to select a mutually agreeable neutral third party to help them mediate it. If the mediation is deemed unsuccessful, the parties agree that (check one box):

- the dispute shall be decided by the applicable small claims court if the amount in dispute is within the court's jurisdiction, and otherwise by binding arbitration under the rules issued by the American Arbitration Association. The decision of the arbitrator shall be final.
- the dispute shall be directly submitted to binding arbitration under the rules issued by the American Arbitration Association. The decision of the arbitrator shall be final.
- the dispute shall be settled according to the laws of the state that apply to this agreement.

Any costs and fees (other than attorney fees) associated with mediation and arbitration shall be shared equally by the parties. Attorney fees associated with arbitration or litigation shall be paid as follows (check one box):

- Each party shall pay his or her own attorney fees.
- The reasonable attorney fees of the prevailing party shall be paid by the other party.

13. Late Performance

If performance of the specified work is late, Contractor agrees that (check one box and provide description, if necessary):

- Homeowner shall be damaged in the amount of \$ _____ per _____ and that Contractor shall be liable for such sums, which may be credited against any sums owed to Contractor by Homeowner.
- A dispute over any damages or loss claimed by Homeowner for the delay in performance of the specified work shall be resolved as provided in Clause 12 of this agreement.

14. Change Order (Mid-Performance Amendments)

The Contractor and Homeowner recognize that:

- Contractor's original cost and time estimates may prove too low due to unforeseen events, or to factors unknown to the Contractor when the contract was made;
- Homeowner may desire a mid-job change in the specifications that would add time and cost to the specified work possibly inconvenience the Contractor; or
- Other provisions of the contract may be difficult to carry out because of unforeseen events, such as a materials shortage or a labor strike.

If these or other events beyond the control of the parties reasonable require adjustments to this contract, the parties shall make a good faith attempt to agree on all necessary particulars. Such agreements shall be put in writing, signed

by the parties and added to this contract. Failure to reach agreement shall be deemed a dispute to be resolved as agreed in Clause 12.

15. Indemnification (Hold Harmless) Clause

Contractor agrees to (check appropriate boxes and provide description, if necessary):

Hold harmless and indemnify Homeowner for all damages, costs and attorney fees that arise out of harm caused to Contractor, subcontractors and other third parties, known and unknown, by Contractor’s performance of the specified work, except as follows: _____

Obtain adequate business liability insurance that will cover Job and any injuries to subcontractors or employees.

16. Surety Bond

Prior to beginning job, Contractor shall be required to obtain a surety bond covering Contractor’s obligations under this contract, in the amount of \$ _____

17. Site Maintenance

Contractor agrees to be bound by the following conditions when performing the specified work (check the appropriate boxes and provide descriptions):

Contractor shall perform the specified work between the following hours: _____

At the end of each day’s work, Contractor’s equipment shall be stored in the following location: _____

At the end of each day’s work, Contractor agrees to clean all debris from the work area and leave all appliances and facilities in good working order except as follows: _____

Contractor agrees that disruptively loud activities shall be performed only at the following times: _____

Contractor agrees to confine all work-related activity, materials and products, including dust and debris, to the following areas: _____

Contractor agrees that: _____

18. Additional Agreements and Amendments

Homeowner and Contractor additionally agree that: _____

- a. All agreements between Homeowner and Contractor related to the specified work are incorporated in this contract. Any modification to the contract shall be in writing.

Homeowner: _____ (Seal) Dated: _____

Contractor: _____ (Seal) Dated: _____

DISCLAIMER: THIS FORM IS INTENDED TO PROVIDE EXAMPLES OF THE KINDS OF TERMS THAT, AT A MINIMUM, SHOULD BE INCLUDED IN SUCH A CONTRACT. IT IS NOT INTENDED TO SERVE AS A SUBSTITUTE FOR THE ADVICE OF AN ATTORNEY-AT-LAW. BEFORE ENTERING INTO A CONTRACT INVOLVING GIVING SOMETHING OF VALUE TO ANOTHER FOR GOODS, SERVICES OR MATERIALS, BE CERTAIN THAT YOU HAVE A CLEAR UNDERSTANDING OF ALL OF THE TERMS IN THE CONTRACT AND WHAT REMEDIES ARE AVAILABLE UPON DEFAULT OF ONE OF THE PARTIES. AN ATTORNEY-AT-LAW CAN HELP YOU WITH ANY QUESTIONS YOU MAY HAVE ABOUT THE PROPOSED CONTRACT.