

Example Home Improvement Agreement

Parties:

This Contract (“Agreement”) is entered into on [Date] by and between [Your Full Name], with principal residence at [Property Address] (“Owner”), and [Contractor’s Legal Name], a duly licensed entity under [State License Number] (“Contractor”).

1. Scope of Work:

The Contractor shall furnish all labor, materials, equipment, and permits necessary to complete the following:

- [Technical description of the project, including blueprints, engineering standards, and adherence to ICC codes.]
- All work shall conform to the specifications outlined in **Appendix A** and comply with all applicable federal, state, and local laws and regulations.

2. Compensation and Payment Schedule:

- **Total Contract Sum:** \$[Total Amount] (inclusive of taxes, fees, and overhead).
- **Deposit:** \$[Deposit Amount] (due upon execution of this Agreement).
- **Interim Payments:** \$[Amount] upon achievement of Milestones 1–3 (as defined in **Appendix B**).
- **Retention:** 10% of the total contract sum shall be withheld until final inspection and submission of lien waivers.

3. Time for Completion:

- Substantial Completion shall occur no later than [Date].
- Liquidated damages of \$[Amount]/day shall apply for unjustified delays beyond the agreed completion date. Force majeure events (e.g., natural disasters, pandemics) shall exempt the Contractor from penalties.

4. Change Orders:

- Any modifications to the scope of work must be documented in a written Change Order, signed by both parties.

- Adjustments to the contract sum or timeline shall follow the standards outlined in AIA Document G701.

5. Warranties and Indemnification:

- The Contractor warrants all workmanship for a period of 24 months from the date of Substantial Completion.
- The Contractor shall assign all material warranties to the Owner upon completion.
- The Contractor agrees to indemnify and hold harmless the Owner from any claims, damages, or liabilities arising from the Contractor's negligence or failure to comply with this Agreement.

6. Termination Clauses:

- **For Cause:** Either party may terminate this Agreement for material breach (e.g., non-payment, substandard work) after providing 10 days' written notice and an opportunity to cure.
- **Termination Fees:** In the event of termination by the Owner, the Contractor shall be compensated for all documented costs incurred, plus a 15% profit margin on unfinished work.

7. Dispute Resolution:

- Any disputes arising under this Agreement shall be resolved through binding arbitration administered by the American Arbitration Association (AAA) under its Construction Industry Arbitration Rules.
- The prevailing party shall be entitled to recover reasonable attorneys' fees and costs.

8. Governing Law:

- This Agreement shall be governed by and construed in accordance with the laws of the State of [State].
- Venue for any legal proceedings shall be in the courts of [County, State].

Signatures:

_____ (Owner) | _____ (Contractor)

Date: _____