

Template from signwren.com. General information, not legal advice. Check your state's rules and adapt it before you use it.

Some states require specific notices in home improvement and construction contracts (for example, a right-to-cancel notice or a construction lien notice in a set type size). Check your state's contractor licensing board and add those notices in Section 14 in the exact wording and format required.

CONSTRUCTION CONTRACT

This Construction Contract ("Contract") is made on [date] between:

Owner: [Owner's full legal name], of [Owner's mailing address], phone [phone], email [email]

Contractor: [Contractor's full legal name or business name], of [Contractor's business address], phone [phone], email [email], license number [license number, if your state licenses this work]

The Owner and the Contractor agree as follows.

1. Property

The work will be done at: [job site address] ("Property").

2. Scope of work

The Contractor will furnish the labor, materials, equipment and supervision needed to complete the following work ("Work"):

[Describe the work in detail: what will be built, removed or repaired; materials, grades, brands or models; dimensions; finishes.]

The following are **not** included in the Work: [exclusions, e.g. painting, electrical, landscaping repair, furniture moving].

These documents are part of this Contract: ☐ Estimate dated [date] ☐ Drawings/plans dated [date] ☐ Specifications ☐ Other: [describe]. If one of them conflicts with this Contract, this Contract controls.

3. Contract price

The Owner will pay the Contractor a total of [\$ amount] ("Contract Price") for the Work, subject to written change orders under Section 6.

4. Payment schedule

Payment	Amount	Due when
Deposit	[\$ amount]	On signing (check your state's deposit limit)
Progress payment 1	[\$ amount]	[Milestone, e.g. framing complete and inspected]

Payment	Amount	Due when
Progress payment 2	[\$ amount]	[Milestone]
Final payment	[\$ amount]	Work substantially complete and final walkthrough done

Payments will not get ahead of the value of work completed and materials delivered to the Property. The Contractor will send an invoice for each payment, and the Owner will pay within [number] days of receiving it. Payment method: ☐ Check ☐ Bank transfer ☐ Card ☐ Other: [describe].

Late payments may accrue interest at [rate]% per month or the maximum rate allowed by law, whichever is lower.

5. Schedule

The Contractor will start the Work on or about [start date] and expects to substantially complete it by [completion date]. The completion date will be extended by a reasonable time for delays the Contractor does not control, including severe weather, permit or inspection delays, material shortages, changes requested by the Owner, and delays caused by the Owner or the Owner's other contractors. The Contractor will tell the Owner promptly, in writing, about any delay and its expected length.

6. Change orders

Any change to the Work, the Contract Price or the schedule must be made in a written change order signed by both parties before the changed work begins. Each change order will describe the change, the amount added to or subtracted from the Contract Price, and any effect on the schedule and payment schedule. Once signed, a change order becomes part of this Contract.

If the Contractor finds a hidden condition that could not reasonably have been seen before work began (for example, rot, mold, or wiring that is not to code), the Contractor will stop the affected work, tell the Owner, and propose a change order. Neither party is required to accept a change order it does not agree to, but work affected by the condition may pause until they agree.

7. Permits and inspections

☐ The Contractor ☐ The Owner will obtain and pay for the permits required for the Work. The Contractor will schedule the required inspections and do the Work to meet applicable building codes.

8. Materials, site and cleanup

All materials will be new and of the quality described in Section 2 unless the Owner agrees otherwise in writing. The Owner will give the Contractor reasonable access to the Property during working hours of [hours] on [days], plus access to [water/electricity/restroom, as agreed]. The Contractor will keep the work area reasonably clean, secure tools and materials at the end of each day, and remove construction debris when the Work is complete.

9. Insurance

The Contractor carries, and will keep during the Work: ☐ general liability insurance with limits of at least [\$ amount] ☐ workers' compensation insurance as required by law ☐ Other: [describe]. The Contractor will give the Owner certificates of insurance on request.

10. Subcontractors and liens

The Contractor may use subcontractors for parts of the Work and remains responsible for their work. The Contractor will pay its subcontractors and suppliers for work and materials the Owner has paid the Contractor for. On request with each payment, the Contractor will give the Owner lien releases or waivers from the Contractor and from any subcontractor or supplier who has given the Owner a notice, in the form required by state law.

11. Warranty

The Contractor warrants that the Work will be done in a good and workmanlike manner and will be free from defects in workmanship for [number] months after completion. The Contractor will repair defects in its workmanship reported in writing during that period at no charge. This warranty does not cover damage from misuse, lack of normal maintenance, or changes made by others. Manufacturer warranties on materials and equipment pass through to the Owner.

12. Completion and walkthrough

When the Work is substantially complete, the parties will do a walkthrough and list any remaining items ("punch list"). The Contractor will finish the punch list within [number] days. The Owner will not withhold more than the reasonable cost of the unfinished punch-list items from the final payment.

13. Termination

Either party may end this Contract by written notice if the other party materially breaches it and does not fix the breach within [number] days after receiving written notice describing it. If the Contract ends, the Owner will pay for work properly done and materials delivered or specially ordered up to the date of termination, less any amount needed to fix defective work.

14. Required notices

[Insert any notice your state or the FTC Cooling-Off Rule requires, in the exact wording and format required. For example: a notice of the Owner's right to cancel with the cancellation form, or a construction lien notice. If a notice must be separately signed or initialed by the Owner, add that line here.]

15. Disputes

The parties will first try to resolve any dispute by talking in good faith. If that fails within [number] days, either party may ☐ bring the dispute in a court with jurisdiction ☐ request mediation before filing suit ☐ Other: [describe]. Nothing in this section stops a party from using a remedy the law gives it, such as a lien.

16. General terms

Entire agreement. This Contract, with any documents listed in Section 2 and signed change orders, is the entire agreement between the parties about the Work and replaces any earlier discussions.

Amendments. Any change to this Contract must be in writing and signed by both parties.

Notices. Notices under this Contract must be in writing and delivered by hand, mail or email to the addresses above.

Governing law. This Contract is governed by the laws of [State].

Severability. If any part of this Contract is found unenforceable, the rest stays in effect.

Signatures. The parties agree this agreement may be signed electronically and in counterparts, and an electronic signature has the same effect as a handwritten one.

Signatures

Owner

Signature: _____

Name: [full name]

Date: [date]

Contractor

Signature: _____

Name: [full name]

Date: [date]