



Contract Document - 401

REMODELING CONTRACT

This Contract dated _____ is made by and between these parties:
_____, referred to as the "Remodeler",
and _____,
who will be referred to as the "Owner(s)".

Remodeler's business address _____
Remodeler's Telephone# _____ fax# _____ e-mail _____
Remodeler is licensed (or registered) in _____ (state), license(reg.)# _____

Owner(s)' address _____
Owner(s) Telephone# _____ fax# _____ e-mail _____

The Owner is possessed of certain improved real estate, described as a single family residence located at the following address: _____

This property will be referred as the "Premises" in this document.

"BUYER'S RIGHT TO CANCEL – if this agreement was solicited by telephone, electronic means, or at a residence, and you do not want the goods or services, you, the buyer, may cancel this transaction at any time prior to midnight of the third business day after the date of this transaction. See attached notice of cancellation form for an explanation of this right."

1. SCOPE OF THE WORK

The Remodeler agrees to construct and/or install the following home improvements at the Owner(s)' Premises (attach plans and specifications, as applicable):

The Remodeler shall furnish all the labor and materials for such work. The Owner(s) shall obtain and bear the cost of all required building permits. The Owner shall furnish adequate utilities necessary for the performance of this Contract, and shall be responsible for all utility charges that may be incurred. The Owner shall furnish any necessary surveys or record plats for the purpose of determining property lines and building set-backs, as may be required.

2. COMPENSATION

The Owner shall pay to the Remodeler a total fixed sum of \$ _____ for the described home improvements in accordance with the following provisions:

DEPOSIT - Upon execution of this Contract, the Owner(s) shall pay to the Remodeler a deposit in the amount of \$_____ ("Deposit"). The deposit shall be retained by the Remodeler and applied against the amount due for final payment. If the Owner(s) should default on the Contract, a portion of the Deposit equal to _____% of the Contract price may be retained by the Remodeler as liquidated damages at his sole option. Since actual damages would be difficult to precisely determine, it is agreed by the parties that this is a reasonable estimate of the damage that the Remodeler would incur if the Owner(s) defaulted. The Remodeler shall be entitled to apply the Deposit as follows: (a) first, toward payment of all labor performed, including the Remodeler's margin of profit, and payment of all installed or non-returnable materials on order, as of the date of default, (b) then to the extent that funds remain, toward the amount of liquidated damages. Any unallocated portion of the Deposit shall be refunded to the Owner(s) within 60 days from the date of default.

PROGRESS PAYMENTS - In addition to the Deposit, the Owner(s) shall pay to the Remodeler progress payments in accordance with the following schedule:

\$_____ on the date of _____

\$_____ on the date of _____

\$_____ on the date of _____

(add additional payment schedule dates as may be necessary)

FINAL PAYMENT - A final payment of \$_____, plus any additional amounts due for unpaid change orders, unforeseen site condition expenses, escalation charges or fuel surcharges, shall be due and payable upon approval of final inspection by the Authority Having Jurisdiction (AHJ), or if there be none, upon a certificate signed by the Remodeler that the home improvement is substantially complete.

INTEREST - Any payment due to the Remodeler in whole or in part that remains unpaid for more than ten days past the payment due date, shall incur interest on the unpaid balance at the rate of _____% per annum until paid.

3. COMMENCEMENT AND TIME OF COMPLETION

The Remodeler will commence work on _____. All work shall be completed by _____. Time is of the essence, and the Remodeler shall use his best efforts to complete construction by the completion date. However, if reasons beyond the Remodeler's control cause an unavoidable delay in the progress of the work, the required date of completion shall be extended for a period of 1 1/2 days for each day of excusable delay. Excusable delay shall include delay occasioned by the unavailability of specified materials, by unforeseen site conditions materially affecting the scope of the work, by the presence of unforeseen hazardous materials within the structure or soil of the premises, by acts of God, by acts of war, terrorism or criminal activity, by inclement weather to the extent that work is not reasonably possible, by labor strikes, by changes in governmental laws or regulations, by acts or the failure to act by governmental agencies and their employees, by change orders authorized by the Owner and by such additional occurrences that impede the progress of the work, and that are outside the Remodeler's direction or ability to control.

4. ADDITIONAL WORK - CHANGE ORDERS

Any change to the work or materials specified in this Contract may be made only by a written change order that is signed by both the Owner and the Remodeler. All change orders shall be dated, shall reflect the new or additional work and materials, any change in the Contract price, and any change in the time of completion.