

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 amount of liquidated damages owed. Should there not be enough Deposit funds to honor the specified amount of liquidated damages, then Owner(s) shall be responsible for paying the balance of liquidated damages. Any remaining portion of the Deposit shall be refunded to the Owner(s) within sixty (60) days from the date of default.

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. Change order costs shall be due and payable upon approval by the parties, or as may be indicated on the executed change order form. Failure to pay for the Change Order upon approval alleviates the Remodeler from performing the same.

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

\$ _____ upon signing the Contract
\$ _____ upon start of _____ (stage of construction)
\$ _____ upon start of _____ (stage of construction)
\$ _____ upon start of _____ (stage of construction)
(add additional payment schedule stages of construction 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.

BONUS FOR EARLY COMPLETION - If the Remodeler substantially completes the work before the Substantial Completion date in Section 3 of this Contract, then the Owner(s) shall pay the Remodeler the sum of _____ dollars (\$ _____) for each day of the week, including weekends, between the date when the work is substantially completed and the substantial completion date set by the Contract.

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. Failure to pay Remodeler timely by Owner(s) shall constitute an act of default.

2A. (OPTIONAL) ESCALATION CHARGES AND FUEL SURCHARGES