

HOME IMPROVEMENT MODEL CONTRACT

HOME IMPROVEMENT CONTRACT (the “Contract”) date: _____.

A. PARTIES TO THE CONTRACT

Home Improvement Contractor Registration Number:
PAOAGHIC

Attorney General Bureau of Consumer Protection
Toll Free Number: _____

Contractor: _____

Mailing Address: _____

Physical
Address: _____

City: _____ State: _____ Zip: _____

Telephone Number: (____) _____ - _____

Owner Name: _____

Owner Name: _____

Mailing Address: _____

City: _____ State: _____ Zip: _____

Telephone Number: (____) _____ - _____

Telephone Number: (____) _____ - _____

Project Location: _____

B. HOME IMPROVEMENTS

1. START AND COMPLETION OF WORK

- a. The approximate starting date of the home improvement work (hereinafter the “Project”) is _____.
- The approximate completion date of the Project is _____.

The Contractor and Owner hereby acknowledge that the approximate starting and completion dates may differ due to any of the items listed below in (b) of this section.

- b. Owner acknowledges that Contractor will not be responsible to Owner for delays in starting or completion due to factors including, but not limited to:
1. changes by the Owner in the work to be performed, specifications or materials to be used;
 2. delays in receiving the materials to be used under the Contract or any Written Change Order;
 3. delays resulting from acts of God or adverse weather conditions;
 4. delays caused by shortages of labor, availability of materials or equipment;
 5. delays caused by the failure of Owner to perform any of Owner’s obligations under this Contract;
 6. delays caused by concealed conditions or discovered hazardous materials; and
 7. other causes reasonably beyond Contractor’s control.

2. **DESCRIPTION OF WORK; MATERIALS; PLANS AND SPECIFICATIONS**

Contractor will furnish all material and perform all labor in a good workmanlike manner with respect to the Project at the Owner's Property. The work specifications for the Project are described below.

a. Description of the work to be performed: _____

b. The following materials will be furnished and used by the Contractor in performance of the Project subject to availability. If the materials to be used are discontinued or difficult to obtain due to unforeseen circumstances, the Contractor may use materials of like-kind and quality.

Materials: _____

SPECIAL ORDER MATERIALS ARE NON-STOCK ITEMS THAT CANNOT BE RETURNED ONCE ORDERED BY CONTRACTOR.

Any special order materials for the project are listed on Attachment ____, which is made a part of the Contract, and the agreed to payment terms are as follows: When Contractor orders the materials, Owner shall, if required by Contractor, no later than ____ business days after receipt of Contractor's invoice pay the entire amount of special order materials in addition to the 1/3 deposit already received. Owner acknowledges that special order materials cannot be returned once ordered by Contractor and Owner is solely responsible for the cost of the materials whether or not they are used for the Project. If the Contract is canceled for any reason, the cost of special order materials will not be refunded by Contractor and the materials will be given to Owner. The special order materials will not be ordered before expiration of the Owner's 3-day Right of Cancellation.

c. Plans and Specifications.

1. The plans for the Project, if applicable, are attached hereto and made a part of the Contract as "Attachment ____".

Owner Initials

2. The work specifications for the Project are attached hereto and made a part of the Contract as "Attachment ____".

Owner Initials

d. Written Change Order(s). Any alteration or deviation from the original work to be performed, plans, specifications and materials used and furnished by Contractor as provided in this section must be carried out upon written change order signed and dated by both the Owner and the Contractor. This includes any change in price and additional time needed to complete the Project due to the change. The Time and Materials Project Cost cannot be increased over the initial estimated cost of the Project stated in Paragraph

C below plus a 10% increase absent a written change order signed by Owner and Contractor. Change Orders, when signed, are made a part of this Contract at Attachment _____. If there is more than one Owner, each Owner authorizes, by the signing of this Contract, the other Owner(s) to sign any written change order on his/her behalf as if it were signed by all other Owner(s).

Owner Initials

- e. ____ Price Adjustment. If checked, see Price Adjustment Clause For Specified Materials attached as "Attachment ____" and made a part of the Contract.

C. TOTAL FIXED SALES PRICE OR TIME AND MATERIALS; PAYMENT

1. a. The Total Fixed Sales Price of the Project is \$_____. After the Deposit* of \$_____, paid at the signing of this Contract, less Advance of \$_____ for the purchase of Special Order Materials, the balance due to Contractor is \$_____. [DELETE IF N/A]

b. The Initial Estimated Cost of the Project is \$_____, which has been arrived at based on the Time and Materials construction practice and provided to Owner by Contractor prior to the performance of any work under this Contract. Contractor and Owner agree that the cost of the Time and Materials Project may not exceed 10% above the dollar value of the initial estimated cost of the Project. In the event the initial estimated cost of the Project increases, the total Time and Materials Project Cost shall not exceed the initial estimated cost of the Project of \$_____ plus 10% of the initial estimated cost for a total Time and Materials Project cost of \$_____. After the Deposit* of \$_____, paid at the signing of this Contract, less Advance of \$_____ for the purchase of Special Order Materials, the balance due to Contractor is \$_____. [DELETE IF N/A]

*See Instructions for deposit limitations.

2. Payment Schedule. Attached and marked as "Attachment ____" is a Payment Schedule made a part of the Contract which shall be followed by Contractor and Owner. All payments are due within ____ days of invoice. Payments received ____ days after the due date may be subject to the interest rate set forth in the payment schedule. Owner's failure to make any payment when due shall excuse Contractor from continuing with performance of the Project.

D. SUBCONTRACTORS

1. The following subcontractors are expected to work on the Project:

a. Name: _____
Street address*: _____
Telephone: _____

If the above is left blank, there are no known subcontractors on the Project.

2. The subcontractor information above does not bind the Contractor and other subcontractors may be used and substituted at anytime by the Contractor. Owner shall not contract for any work for the Property directly with any subcontractor.

*A Post Office box alone is an insufficient address.

E. LIABILITY INSURANCE

At the time of signing this Contract, Contractor maintains the following amount of insurance coverage: \$_____ (personal injury liability insurance) and \$_____ (property liability insurance). Contractor may reduce the amount of coverage during the Contract not to an amount less than \$50,000, in which event Contractor will notify Owner in writing within ten (10) days following any such change.

F. SPECIAL CLAUSES

Special clauses intended by Contractor and Owner to be made a part of this Contract shall be checked below and are identified as follows:

- ____ Contractor's Limited Warranty – Attachment ____
____ Notice of Claim and Right to Repair – Attachment ____
____ Arbitration – Attachment ____

Additional special clauses include: _____.

G. MISCELLANEOUS

1. ENTIRE AGREEMENT

This Contract, including any amendments agreed to and signed by Contractor and Owner and the notices and supplements which are attached and made a part of this Contract, constitutes the entire agreement between Contractor and Owner. This Contract supersedes all previous proposals, representations, understandings and communications among the parties, whether written or oral. No changes, additions or amendments to this Contract whatsoever are binding absent a writing signed by Contractor and Owner.

2. LEGAL COMPLIANCE AND GOVERNING LAW

This Contract shall be governed by the laws of the Commonwealth of Pennsylvania. Therefore, the Project shall be completed in compliance with all laws, ordinances, rules and regulations of the applicable Commonwealth government.

3. ASSIGNMENTS

This Contract shall not be assigned by the Owner without first receiving the Contractor's written consent, which may be denied in the Contractor's sole discretion.

4. MEMBERSHIP ACKNOWLEDGMENT

Contractor by signing this Contract confirms membership in good standing in the Pennsylvania Builders Association.

H. NOTICE OF RIGHT OF CANCELLATION*:

YOU, THE OWNER, MAY CANCEL THIS TRANSACTION AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE OF THIS TRANSACTION WITHOUT PENALTY REGARDLESS OF WHERE THE CONTRACT WAS SIGNED. SEE THE ATTACHED NOTICE OF CANCELLATION FORM FOR AN EXPLANATION OF THIS RIGHT.**

*This provision is inapplicable in transactions where emergency work is authorized under the Unfair Trade Practices and Consumer Protection Law and the proper form is signed by Contractor and Owner.

**The Notice of Cancellation is attached to this Contract, marked as "Attachment ____" and made a part of the Contract.

Contractor and Owner, intending to be legally bound hereby, have caused this Contract to be duly signed the day and year first above written.

BY SIGNING THIS CONTRACT, OWNER(S) ACKNOWLEDGE THAT THEY HAVE CAREFULLY READ AND UNDERSTAND THE ENTIRE CONTRACT, HAVE BEEN PROVIDED THE OPPORTUNITY TO REVIEW THE CONTRACT WITH AN ATTORNEY OR OTHER ADVISOR AND ARE NOT RELYING ON ANY ORAL REPRESENTATIONS OF CONTRACTOR.

OWNER'S SIGNATURE BELOW SHALL SERVE AS ACKNOWLEDGEMENT AND RECEIPT OF A COPY OF THIS CONTRACT.

WITNESS:

OWNER:

Signature

Print Name

Date

Signature

Print Name

Date

WITNESS:

CONTRACTOR:

Signature

Print Name

Date

OWNER SHALL IMMEDIATELY UPON SIGNING BE PROVIDED WITH A COPY OF THE CONTRACT AND ALL REQUIRED NOTICES.

This Contract has been given Plain Language Approval by the Commonwealth of Pennsylvania Office of Attorney General. In the opinion of the Office of Attorney General, a preapproved consumer contract meets the Test of Readability under 73 P.S. § 2205 of the Plain Language Consumer Contract Act. Preapproval of a consumer contract by the Office of Attorney General only means that simple, understandable and easily readable language is used. It is not an approval of the contents or legality of the contract.