



CONTRACT FOR REPAIRS, ADDITIONS OR ALTERATIONS

This contract for Repairs, Additions or Alterations, dated _____, is entered into between:

THE "OWNER":

AND

THE "CONTRACTOR"

Name

Name

Address

Address

City, State, Zip

City, State, Zip

1. **Location:** The Owner's property on which the work is to be performed is located at _____.

2. **Work to be performed:** Contractor shall undertake the work on the property in accordance with the plans and specifications and materials list signed by Owner and dated _____ attached to this Contract (the "Work"). In the absence of signed plans and specifications, the Contractor shall undertake the following work:

USE AND ATTACH A SEPARATE SHEET IF NECESSARY AND, IF SO, WRITE: "SEE ATTACHED SHEET"

3. **Price:** Owner agrees to pay Contractor \$ _____ (the "Contract Price") for work performed as follows:

- A. Payment 1 due upon signing of this Contract: \$ _____
- B. Payment 2 due on _____ \$ _____
- C. Payment 3 due on _____ \$ _____
- D. Payment 4 due on _____ \$ _____
- E. Payment 5 due on _____ \$ _____

Subtotal \$ _____

- F. **Sales Tax:** Additionally, Owner shall be responsible for sales tax for materials used by Contractor to perform the work described in Section 2 above.
- G. **Other costs:** Owner shall bear all other expenses incurred in construction, including but not limited to costs of obtaining permits, removing debris or hidden conditions, additional work, unforeseen Shipping charges or other circumstances as set out elsewhere herein,
- H. **Late fees:** Owner agrees to make all payments when due, Owner agrees to pay a late fee of 2% per month for each payment not paid within fifteen days of its due date.

4. **Extra Work:** All changes in or departures from the Work shall be agreed upon in writing and reduced to a Change Order, i.e., a written instrument signed by Owner and Contractor stating their agreement upon all of the following:

- i. a change in the Plans and Specifications for the repairs and alterations;
- ii. the amount of the adjustment, if any, in the Contract Price; and
- iii. the extent of the adjustment, if any, in the time for completion.

OWNERS' Initials: _____ CONTRACTOR'S Initials: _____

Owner may request changes in the scope of work from the Contractor, subcontractors or suppliers, which Change Order shall consist of additions, deletions or modification to the Plans and Specifications. All such changes in the scope of work, if any, shall be authorized only by the Change Order signed by the Owner, Contractor, and the applicable subcontractor, supplier, and the Contract Price shall be adjusted accordingly. It is expressly understood and agreed by the parties that the Plans and Specifications and Contract Price, and time for completion may only be changed by a written Change Order which shall set forth the cost or credit to Owner, if any, of such changes to the Contract Price. Contractor shall not be obligated to perform any work, nor order any supplies or materials, pursuant to any Change Order prior to its execution by the parties to this Agreement.

5. **Hidden Damage/Hazardous Material Removal:** Contractor shall not be obligated to correct hidden damage caused by termites, other pests, dry rot or any other cause. Contractor shall not be required to remove any asbestos or other hazardous material discovered during the course of the job. In the event physical conditions differ materially from those indicated in this Contract or in the event there exist unknown physical conditions at the site of an unusual nature differing materially from those ordinarily encountered in work of the character provided for in this contract, Contractor shall advise Owner of the existence of such conditions and the Contractor shall be entitled to the cost incurred for any increase resulting from such conditions.

6. **Matching Materials:** Contractor calls attention to the limitations of matching existing finishes and existing materials, Although Contractor shall make every reasonable effort to match existing materials, textures, colors and planes, exact match is not promised nor should it be expected.

7. **Electrical Service:** Unless specifically included, electrical work contemplates no change to existing service panels other than the addition of circuit breakers or fuse blocks to distribute electric current to new outlets. Costs incurred in changing any point of service, main switch or meter that () may be required by an inspector or utility company shall be paid to Contractor by Owner as an extra. Changes to existing wiring in areas undisturbed by alterations are not included.

8. **Filled Ground, Rock or Springs:** Unless otherwise stated, the Price does not include unusual excavation or grading costs resulting from underground springs, relocation of utility lines, rock removal or other such conditions. If such work is required, Contractor shall inform Owner of the unusual conditions necessitating such work and Owner shall pay for such work as extra work.

9. **Underground Pipes:** Contractor shall not be held responsible for damage to, or removal of, hidden pipes, sprinkler lines, water or sewage disposal systems or conduits in excavation and grading areas.

10. **Property lines:** If Contractor deems it necessary, Owner shall furnish, at Owner's expense, all necessary surveys and assume responsibility for the accuracy of all boundary markers, unless otherwise agreed in writing.

11. **Conduits, Pipes, Duels:** Unless specifically indicated, the Price does not include rerouting vents, pipes, ducts or wiring conduits, or correcting other hidden conditions that may be discovered through removing, or cutting openings in walls.

12. **Access to Work:** Owner shall grant free access to work areas for workers and vehicles and shall allow areas for material and rubbish storage. Owner shall keep driveways clear and available for movement and parking of trucks during normal working hours.

13. **Requirement of Governmental and Other Entities/Permits:** Any change or alterations of the plans or specifications or additions to the Work required by any public bodies, utilities, historic preservation groups, associations, inspectors, or any other private or governmental organizations or agencies, including but not limited to construction services rendered by the Contractor in order to comply with the State Building Code, shall constitute an extra and the cost thereof shall be treated as extra work and paid by Owner. Contractor shall obtain all permits required by governmental bodies, unless otherwise specified. Owner shall secure and pay for approval of historical preservation groups or any other groups, organizations, societies; or associations wherever such approval is required by this Contract. Owner shall secure and pay for easements or other necessary property interests required for permanent structures or permanent changes in existing facilities.

14. **Materials Removed; Rubbish:** All materials removed from structures in the course of the Work shall be disposed of by Contractor, except those items designated in writing by Owner prior to commencement of the Work. Contractor shall remove all construction rubbish at termination of the Work and the premises shall be left in broom-clean condition.

15. **Insurance:** Prior to commencement of the Work, Owner shall have Contractor listed as a loss payee on any existing fire and comprehensive insurance policy by means of endorsement, and shall furnish a waiver of subrogation for fire and those items covered under such comprehensive policy including vandalism. In the alternative, Owner may purchase a separate policy to protect Contractor's interests. In the event Owner fails to do so, Contractor may procure such insurance and Owner shall reimburse Contractor the cost thereof. Contractor shall carry, at its own expense, worker's compensation and public liability insurance.

16. **Toilet Facilities; Utilities:** Owner shall furnish toilet facilities to all workers or compensate Contractor for cost of rented units. Electricity, water and other utilities shall be furnished to Contractor by Owner.

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17. **Damage to Property:** Contractor shall not be held responsible for any damage caused by Owner, or by acts of God including, but not limited to, soil slippage, earthquake, fire, riot or other civil disturbance, by any exercise of governmental authority, or by any other cause beyond the control of Contractor.

18. **Extra Time:** Contractor agrees to pursue work diligently to completion, but shall not be responsible for delays for any of the following reasons: acts of neglect or omissions of Owner, acts of God, stormy or inclement weather, strikes, lockouts, boycotts or other labor union activities, extra work ordered by Owner, acts of public government priority, allocation of materials, or any other cause beyond the control of Contractor.

19. **Work Stoppage:** Should the Work be stopped by any public authority, and through no fault of the Contractor, for a period of 30 days or more, or should the Work be stopped through act or neglect of Owner for a period of 15 days or more, or should Owner fail to make any payment within 15 days after it is due, then Contractor, upon 7 days' written notice to Owner, may stop work or terminate this Contract and recover from Owner payment for all work performed plus reasonable profit and damages.

20. **Sign:** Contractor may display its sign in Owner's yard until completion of the Work.

21. **Substitutions and Allowances:** In the event any of the materials herein described are not available, Contractor reserves the right to make substitutions, providing the substitutions are equal to or exceed the quality of the items herein described. Owner shall pay all taxes and shipping charges in excess of allowances.

22. **Pre-Existing Conditions:** Owner shall be responsible for pre-existing code violations or conditions in the area in which the work shall be performed within the scope of this Contract, including but not limited to construction services rendered by the Contractor in order to comply with the State Building Code.

23. **Control and Use of Construction Personnel:** Contractor, or its duly designated agent, shall have sole control of construction personnel, including subcontractors. Owner shall not issue any instructions or otherwise interfere with construction personnel. Owner shall not negotiate for additional () work with Contractor's subcontractors or engage another contractor or subcontractor except with Contractor's prior written consent and then only in such manner as will not interfere with Contractor's completion of the Work under this Contract.

24. **Default:** If Owner defaults on any obligation under this Contract, Contractor may, at its option, treat this Contract as null and void and retain all payments made hereunder, or may pursue any other legal remedy including, specific performance. In the event it becomes necessary for either party hereto to file suit to enforce any of the terms and covenants of this contract, it is agreed that the prevailing party shall recover, from the other party, its costs and reasonable attorney fees as determined by the Court.

25. **Successors and Assigns:** The rights and obligations created under this contract shall inure to and bind the heirs, administrators, executors, successors and assigns of Contractor and Owner.

26. **Contractor's Home Builders Association:** Contractor is a member in good standing of the Association identified below and located at: _____.

27. Warranty; Conciliation

- A. Upon completion of the work, Contractor shall execute and issue to Owner a Limited Warranty. To be effective, Contractor must have received from Owner final payment of all sums due under this Contract. The limited Warranty shall constitute the sole warranty from Contractor to Owner and is given in lieu of all other warranties, express or implied, relating to the performance of this Contract. If Owner claims defects in the work performed, Owner and Contractor shall follow the Claims Procedures provided in the Limited Warranty, including, but not limited to the notice requirements.
- B. If Contractor fails to comply with the limited Warranty's claims procedure, or if Owner and Contractor are unable to resolve their disputes in a manner mutually acceptable to them, the Owner shall have the right to contact the Contractor's Home Builders Association (the "Association") identified in Section 26 above and request conciliation. The local Association shall attempt conciliation of the disputed issues. Conciliation is offered to Owners who contract with members in good standing of the Home Builders Association of Kentucky ("HBAK") and the National Association of Home Builders ("NAHB") only. The local association, HBAK and NAHB do not guarantee the results of conciliation efforts nor do they in any way guarantee, expressly or impliedly, the performance of any obligation of the Builder existing prior or subsequent or as a result of the conciliation.

28. **Notice and Opportunity to Repair Act:** If after Contractor completes work on the property Owner believes a construction defect exists in the work performed, Owner shall first comply with paragraphs 27.A and 27.B above. If those remedies do not result in a satisfactory solution, the parties shall implement the provisions of Kentucky's Notice and Opportunity to Repair Act (hereafter, "NORA"). As described in bold below, to comply with NORA, Owner and Contractor shall take the following steps:

OWNERS' Initials: _____ CONTRACTOR'S Initials: _____

- A. Owner shall describe the claim in writing in reasonable detail delivered to the Contractor,
- B. Not less than twenty-one (21) days after receipt of that written notice, Contractor shall send a written response to Owner to arrange an inspection, offer to correct the defect or compensate Owner for the defect, or state in writing an intent not to take any remedial action.

THE NOTICE AND OPPORTUNITY TO REPAIR ACT CONTAINS IMPORTANT REQUIREMENTS YOU MUST FOLLOW BEFORE YOU MAY FILE A LAWSUIT FOR DEFECTIVE CONSTRUCTION AGAINST THE BUILDER OF YOUR HOME. YOU MUST DELIVER TO THE BUILDER A WRITTEN NOTICE OF ANY CONSTRUCTION CONDITIONS YOU ALLEGE ARE DEFECTIVE AND PROVIDE YOUR BUILDER THE OPPORTUNITY TO MAKE AN OFFER TO REPAIR OR PAY FOR THE DEFECTS. YOU ARE NOT OBLIGATED TO ACCEPT ANY OFFER MADE BY THE BUILDER THERE ARE STRICT DEADLINES AND PROCEDURES UNDER STATE LAW, AND FAILURE TO FOLLOW THEM MAY AFFECT YOUR ABILITY TO FILE A LAWSUIT.

29. **The Arbitration Act:** If the remedies available in this Contract, in the Warranty and through NORA fail to resolve the dispute, that dispute shall be submitted to binding arbitration. The arbitrator or panel of arbitrators shall be selected in accordance with the American Arbitration Association to be conducted in the Commonwealth of Kentucky in the county in which the property is located. The arbitrators' written decision shall be binding on the parties.

30. **Affidavit of Payment:** On final payment of Owner and upon Owner's request, Contractor shall provide Owner with an affidavit stating that all labor, material and equipment used in the performance of the Work have been paid for or will be paid in full by Contractor unless otherwise noted.

31. **Lead Abatement Disclaimer:** The Contractor shall adhere to the EPA's lead paint renovation rules and be responsible for the quality of workmanship only for the work performed by the Contractor as specified in the contract. The Owner acknowledges that the Contractor has not contracted to perform a total lead abatement of the premises in question, and shall not be responsible for any past or future paint disturbing activities performed by the home owner or by any third parties. The Contractor shall not be responsible for any lead removal or premises cleaning of dust and debris from any past or future paint disturbing activities performed by the owner or third parties, nor shall the Contractor be liable for any damages due to the presence of dust, debris or lead arising out of such owner or third party activities, to include but not be limited to property damage, testing expense, loss of use, business interruption, loss of profits, personal injury, mental anguish, wrongful death, or any consequential and/or punitive damages. The Owner agrees to indemnify and hold the Contractor harmless from any and all third party claims and expenses, including reasonable attorney's fees and court costs, which result from claims that arise in whole or in part from lead paint disturbing activities performed by the Owner or by any third party.

32. **Miscellaneous:** Contractor shall be obligated under this Contract only after Contractor has signed it Owner certifies that Owner has read the entire contents of this Contract and acknowledges receipt of copy of it. This is the only Contract between Owner and Contractor; and no verbal agreements of any kind shall be binding on the parties hereto.

33. **ADDITIONAL TERMS.** In addition to the terms set out above, the parties agree to the following additional terms: _____

NOTICE: SEE PAGE ONE FOR THE SCHEDULE OF PAYMENT.

OWNERS:

CONTRACTOR:

Name

Company Name

Date

Officers Signature

Name

Title

Date

Date

This form is for use by builders who are members in good standing of a Registered Builder/Registered Remodel or program authorized and approved by the Home Builders Association of Kentucky. However, with the exception of Section 27.B, this Contract shall remain enforceable by the Owner.

OWNERS' Initials: _____ CONTRACTOR'S Initials: _____