

HOME IMPROVEMENT CONTRACT

YOU ARE ENTITLED TO A COMPLETELY FILLED-IN COPY OF THIS CONTRACT, SIGNED BY BOTH YOU AND THE CONTRACTOR BEFORE ANY WORK MAY BE STARTED.

CONTRACTOR'S NAME (as on record with DCA): _____
ADDRESS (as on record with DCA): _____
PHONE (as on record with DCA): _____
FAX: _____
CELL PHONE: _____
E-MAIL (as on record with DCA): _____
DCA HIC LICENSE #: _____
HOME IMPROVEMENT SALESPERSON'S NAME (as on record with DCA): _____
ADDRESS (as on record with DCA): _____
PHONE (as on record with DCA): _____
FAX: _____
CELL PHONE: _____
E-MAIL (as on record with DCA): _____
DCA HIS LICENSE #: _____

DATE: _____

BUYER'S NAME: _____

ADDRESS: _____

BUYER'S DAY PHONE: _____

BUYER'S EVENING PHONE: _____

BUYER'S CELL PHONE: _____

BUYER'S E-MAIL ADDRESS: _____

PROJECT ADDRESS: _____

I. PARTIES

This Contract is entered into on this _____ day of _____, 20____ by and between _____ ("Buyer") and _____ ("Contractor"). Buyer and Contractor agree to the following:

II. GENERAL SCOPE OF WORK DESCRIPTION

The Contractor shall perform all work and provide all labor, supervision, materials, and equipment described below to complete in a good and workmanlike manner the following:

___Yes ___No: All work to be completed by the Contractor (and subcontractors, if any) is described in the attached plans and specifications dated _____ that have been signed and acknowledged by the Buyer and the Contractor.

III. DESCRIPTION OF MATERIALS AND EQUIPMENT

(Include quantity, quality, brand, model number, identifying features, and price of materials and equipment.)

Materials/Equipment	Price
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

___Yes: All / some (**circle one**) materials/equipment are to be supplied by the Contractor according to the attached plans and specifications dated _____ that have been signed and acknowledged by the Buyer and the Contractor.

___No: The Buyer will supply the materials/equipment according to the attached plans and specifications dated _____ that have been signed and acknowledged by the Buyer and the Contractor.

IV. SUBCONTRACTORS

(List all subcontractors, plumbers, electricians, etc. with names, addresses, phone numbers, license numbers, and work to be provided.)

V. CONTRACT PRICE

\$ _____
(total amount)

The Buyer shall pay the Contractor the fixed sum of \$ _____ (in dollars and cents) for the work to be performed under this Contract.

VI. PROGRESS PAYMENTS AND SCHEDULE

Deposit: When the Contract is signed by both parties and returned to the Contractor, the Buyer shall pay to the Contractor a deposit of:

\$ _____

Progress Payments: All payments are subject to a site inspection and approval of work by the Buyer.

Work or service performed
and materials to be supplied

Amount due on completion

_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

Final Payment: When all work is complete, the Buyer will pay the Contractor:

\$ _____

The Buyer may withhold final payment if the Contractor does not submit satisfactory evidence to the Buyer that all expenses related to this work have been paid and no lien exists on the property as described in the section "Additional Terms and Conditions."

VII. RIGHT TO CANCEL CONTRACT WITHIN THREE DAYS

YOU, THE BUYER, MAY CANCEL THIS CONTRACT AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE OF THIS TRANSACTION. SEE THE ATTACHED NOTICE OF CANCELLATION FORM FOR EXPLANATION OF THIS RIGHT.

VIII. COMMENCEMENT AND COMPLETION SCHEDULE

Work will commence on: _____ (date). The Buyer may cancel the Contract if work is not begun within _____ days of this stated commencement date.

Construction time through completion date is approximately _____ to _____ weeks/months (circle one).

Work will be completed by: _____ (date). Time is of the essence regarding this Contract unless the Buyer has appended a handwritten statement that extends the work timeframe.

___Yes ___No: A handwritten statement by the Buyer is appended and time is not of the essence.

No extension of time will be valid without the Buyer’s written consent. The following events or contingencies may impact the Contractor’s ability to perform:

IX. CHANGE ORDERS/ADDITIONAL WORK

Written Change Orders signed by both parties are required for any changes or additional work. The Change Order shall state:

- whether the change will increase or decrease the original Contract amount
- the cost of the additional work
- the new total amount of the Contract

The Contractor shall provide the Buyer with a copy of the signed Change Order form before commencing the additional or changed work. Except for those items specifically described in the Change Order, all other Contract terms shall remain unchanged. Payment for additional or changed work is due upon completion of all of the additional or changed work and submittal of an invoice by the Contractor.

ADDITIONAL TERMS, PROVISIONS, AND CONDITIONS

1. The Contractor or subcontractor who performs work under this Contract and is not paid may have a claim against you, the Buyer, which may be enforced against the property in accordance with the applicable lien laws.
2. You, the Buyer, may withhold final payment due under the Contract until the Contractor submits from all subcontractors and vendors a waiver of lien as proof of payment for the work and/or the materials they supplied.
3. In accordance with subdivision 4 Section 71-a of the Lien Law, the Contractor is legally required to deposit all payments received prior to substantial completion of work. In lieu of such deposit, the Home Improvement Contractor may post a bond or Contract of Indemnity with the Buyer guaranteeing the return of the payments or application of the payments to the purpose of the Contract.
4. The Contractor agrees to use only licensed subcontractors, including Home Improvement Contractors licensed by the New York City Department of Consumer Affairs (DCA) and plumbers and electricians licensed by the New York City Department of Buildings.
5. The Contractor agrees to furnish the Buyer with a "Certificate of Workers' Compensation Insurance" prior to commencement of work pursuant to the Contract.
6. The Contractor agrees to procure all required permits in accordance with local laws.
7. The Contractor shall disclose all terms, conditions, and period of time covered by any guarantee or warranty it offers to the Buyer, including those advertised by the Contractor. The following guarantee/warranty is applicable: (If none, state none.)

8. The Contractor agrees to shield the Buyer from any liability related to the Contractor's failure to pay subcontractors or supply vendors who were arranged by the Contractor, and to hold the Buyer harmless from such claims.

9. The Contractor agrees that the Buyer can withhold final payment until the Contractor submits to the Buyer proof of payment to all subcontractors and supply vendors arranged by the Contractor and that, until such proof is submitted, the Contractor agrees to waive any right to file a lien for any monies claimed due from the Buyer against the Buyer's property.
10. The Contractor agrees to clean up after the home improvement work is done.
11. The Contractor agrees that if any Contract is negotiated in Spanish, the Contractor will provide to the Buyer a copy of the Contract and three-day Notice of Cancellation Form in Spanish. The Contractor agrees that if the Buyer spoke with the Contractor in a language other than English, the Contract must be in English, as well as in the other language.
12. The Buyer is advised that he or she may file a complaint regarding the Contractor's performance or the job by calling 311 or going online to www.nyc.gov/consumers.
13. The Contractor provided the Buyer with a separate document titled "Consumer Bill of Rights on Contracting for Home Improvements" when the Buyer first met with the Contractor. A copy of the Bill of Rights is attached.

[This form must be given separately to the consumer.]

NOTICE OF CANCELLATION FORM

(Enter date of transaction.)

YOU MAY CANCEL THIS TRANSACTION WITHOUT ANY PENALTY OR OBLIGATION WITHIN THREE (3) BUSINESS DAYS FROM THE ABOVE DATE.

IF YOU CANCEL, ANY PROPERTY TRADED IN, ANY PAYMENTS MADE BY YOU UNDER THE CONTRACT OR SALE, AND ANY NEGOTIABLE INSTRUMENT EXECUTED BY YOU WILL BE RETURNED WITHIN 10 BUSINESS DAYS FOLLOWING RECEIPT BY THE SELLER OF YOUR CANCELLATION NOTICE, AND ANY SECURITY INTEREST ARISING OUT OF THE TRANSACTION WILL BE CANCELLED.

IF YOU CANCEL, YOU MUST MAKE AVAILABLE TO THE SELLER AT YOUR RESIDENCE, IN SUBSTANTIALLY AS GOOD A CONDITION AS WHEN RECEIVED, ANY GOODS DELIVERED TO YOU UNDER THIS CONTRACT OR SALE; OR YOU MAY, IF YOU WISH, COMPLY WITH THE RETURN SHIPMENT OF THE GOODS AT THE SELLER'S EXPENSE AND RISK.

IF YOU DO MAKE THE GOODS AVAILABLE TO THE SELLER AND THE SELLER DOES NOT PICK THEM UP WITHIN 20 DAYS OF THE DATE OF YOUR NOTICE OF CANCELLATION, YOU MAY RETAIN OR DISPOSE OF THE GOODS WITHOUT ANY FURTHER OBLIGATION. IF YOU FAIL TO MAKE THE GOODS AVAILABLE TO THE SELLER, OR IF YOU AGREE TO RETURN THE GOODS TO THE SELLER AND FAIL TO DO SO, THEN YOU REMAIN LIABLE FOR PERFORMANCE OF ALL OBLIGATIONS UNDER THE CONTRACT.

TO CANCEL THIS TRANSACTION, MAIL OR DELIVER A SIGNED AND DATED COPY OF THIS CANCELLATION NOTICE OR ANY OTHER WRITTEN NOTICE TO [Insert Name of Seller] AT [Insert Address of Seller's Place of Business] NOT LATER THAN MIDNIGHT OF

Date

I HEREBY CANCEL THIS TRANSACTION.

Date

Buyer's Signature

Contractor

Buyer

Buyer

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CONSUMER BILL OF RIGHTS ON CONTRACTING FOR HOME IMPROVEMENTS

- Home Improvement Contractors are required to be licensed by the New York City Department of Consumer Affairs (DCA).
- ALWAYS ask to see a copy of a Home Improvement Contractor's or Salesperson's license issued by DCA.
- BEFORE YOU SIGN A CONTRACT, call 311 or visit **www.nyc.gov/consumers** to verify that a Contractor's license is currently valid, to access the Laws of the City of New York to learn about the responsibilities of Home Improvement Contractors, and to obtain the *Home Improvement Consumer Guide*.
- A Contractor MUST give you a detailed written description of the work to be done and materials to be used, and a written itemized estimate of the cost of the work to be done BEFORE you sign a Contract. A Contractor may charge a reasonable fee for an estimate, but the Contractor MUST tell you how much the estimate will cost BEFORE providing it to you.
- A Home Improvement Contract MUST be in writing and describe the home improvements to which you agreed. The written contract must be legible and in plain English. If you spoke with the Contractor in a language other than English, the Contract must be in English, as well as in the other language spoken. Contracts negotiated in Spanish must be in Spanish.
- The written Contract must include the following:
 - The Contractor's name as it appears on the license, license number, address, and telephone number.

- The date the contract is signed.
- The approximate starting and completion dates for the work, as well as any reasons the completion date could change. You have the right to insist that the Contract entitle you to cancel for a full refund if the Contractor fails to start the work within an agreed-upon number of days after the stated commencement date.
- A specific description of the work to be done; the materials to be used, including brands, model numbers, and other identifying information; and the price of each.
- A listing of all advertised representations made by the Contractor, including, but not limited to, any guarantees or warranties.
- A payment schedule. If both parties agree to a schedule of progress payments, each advance payment must bear a “reasonable relationship” to the work performed, and each scheduled payment must identify and describe the work to be done, materials purchased, or other project-related costs that such payment covers. Your Contractor must deposit progress payments into an escrow account.
- Each scheduled payment should not be more than \$15,000 or 20% of the total amount of the Contract, whichever is the LOWER AMOUNT, and the next payment must not be made until AFTER the work covered by the previous payment has been completed.
- A right to cancellation clause in the Contract provided as a separate form which says essentially:

YOU HAVE A RIGHT TO CANCEL your Contract until midnight of the third business day after you sign the Contract. If you wish to cancel, you must do so in writing. Your Contractor must refund all payments made and cancel and return any Contract or other negotiable documents you may have signed.

- Required permits. Before beginning work, your Contractor must obtain permits required by New York City law. (You should ask to see the signed permits before work begins.)
- Insurance. Before beginning work, your Contractor should furnish you with a Certificate of Workers' Compensation Insurance.
- A "proof of payment" clause. This clause allows you to withhold final payments until your Contractor submits from all subcontractors and vendors a waiver of lien as proof of payment for the work they performed and/or the materials they supplied.
- It is illegal for your Home Improvement Contractor to dry-scrape or sand painted surfaces in New York City. Scraping and sanding pose a danger of lead dust inhalation.
- The Contractor must clean the premises after work is completed.
- New York City law prohibits Home Improvement Contractors from acting as agents for lenders or advertising, promoting, or arranging home improvement loans.