

Construction Contract

Case Number: _____
Borrower Name(s): _____

Date: _____
Phone #: _____
Phone #: _____

THIS IS A MODEL DOCUMENT FOR USE IN RENOVATION OR CONSTRUCTION LOAN TRANSACTIONS. THIS FORM IS PROVIDED AS AN EXAMPLE AND IS NOT VALID AND ENFORCEABLE IN ALL JURISDICTIONS. LENDERS SHOULD CONSULT WITH LEGAL COUNSEL TO ENSURE THAT ALL FORMS USED TO ORIGINATE RENOVATION OR CONSTRUCTION MORTGAGES ARE APPROPRIATE, AND THAT ALL LEGAL INSTRUMENTS ARE COMPLETED CORRECTLY AND IN COMPLIANCE WITH APPLICABLE LAW.

THIS CONSTRUCTION CONTRACT ("Contract") dated as of _____, _____ by and between
_____ ("Owner") and
_____ ("Contractor").

Owner and Contractor, in consideration of the mutual covenants hereinafter set forth, agree as follows:

Article 1. Work.

Contractor shall construct the items identified in Exhibit "A" ("Work") in accordance with the Contract Documents, as identified in Article 8 of this Contract on property which is located at _____ ("Property").

Article 2. Contract Time.

The Work will be completed on or before _____ ("Completion Date"), subject to modifications in approved Change Orders. The Completion Date shall be the date when the Work is sufficiently complete in accordance with the Contract Documents so that Owner can occupy or utilize the Property for its intended use ("Substantial Completion"). If Owner will pay Contractor for all or part of the Work with funds advanced by a lender, Substantial Completion shall be the date as defined by the loan documents. Before starting the Work, Contractor shall submit to Owner for review an estimated progress schedule indicating the starting and completion dates of various stages of the Work.

Article 3. Contract Price.

Owner shall pay to Contractor an amount equal to \$ _____ ("Contract Price") for completion of the Work.

Article 4. Change Orders.

Any increase or decrease in the Contract Price, change in the Work or change in the Contract Time must be set forth in a change order signed by Owner and Contractor and approved by the Lender