



Topeka Home Builders Association
1505 SW Fairlawn
Topeka, KS 66604
785.273.1260
E-mail: thba@thba.com

What Do I Look For When I Sign the Contract?

Because a written contract protects both you and the remodeler, your remodeler should put all agreements and oral promises in writing. He or she should spell out in detail exactly what will and will not be done. If you intend to do some of the work yourself or hire a subcontractor to do part of it, be sure this fact appears in the contract as well.

Never sign a blank or partially blank contract. Both you and the remodeler are bound by everything set down in the contract, so read it carefully before you sign. If you have any questions or do not understand something, get an answer or explanation before you sign. As soon as you sign the contract, get and keep a copy of it for your records. Be sure the financial terms of the contract are clear. The contract should include the total price, when payments will be made, the circumstances that would cancel the contract and any penalty for cancellation.

On a home improvement job, you should expect to pay up to one-third of the total contract price as a downpayment. This amount may be limited by state or local laws. Except for the downpayment, you should not pay for work that is not done. Usually payments are scheduled at weekly or monthly intervals or at the point when a phase of the project is completed and a new one begun. (for instance, for an addition a payment "draw" might be phrased "due at the completion of the foundation and the beginning of framing").

In some states, when you sign a home improvement contract in the presence of a remodeler or a remodeler's representative in your home and/or some place other than the remodeler's place of business, usually you have a short time in which to change your mind and cancel the contract. In such states, the remodeler or the remodeler's representative usually must inform you of your rights of cancellation orally and in writing and must provide the forms to use for canceling. If you need emergency repairs, in some states you can waive your cancellation rights. This waiver gives the remodeler the right to proceed with the work immediately. Usually remodelers wait until the end of the "cooling-off" period before starting work. Therefore this waiver can be crucial when you need immediate service. However, if you have the "right of rescission," you should not waive that right unless you have a bona fide emergency.

The contract should specify all materials to be used, such as the quality, quantity, weight, color, size, or brand name as it may apply. For example, the contract should say "install oak kitchen cabinets, manufactured by Company XYZ, according to the plan," not just "install kitchen cabinets."

If a warranty is offered, get it in writing and read it carefully. A warranty must state whether it is limited (meaning that repairs, replacements, or refunds are limited in some way), or full (one that will repair or replace the product or refund your money within a certain period of time). The warranty should spell out all terms and conditions in language you can understand. It should specifically say who will honor the warranty—the contractor, the dealer or the manufacturer. The warranty should include the name and address of the party offering it and the duration of coverage. Warranties for products such as kitchen appliances and cabinets are passed through from the manufacturers.

Your contract should specify approximate starting and completion dates for your project. However the contract also should allow for external factors that might cause delays, such as the weather or the availability of supplies.

Make sure your contract includes everything you think is important to the job including the following:

Complete clean up and removal of debris and materials.

Any special requests such as saving lumber (for firewood) and unneeded materials or old appliances (for reuse).

Any special instructions regarding pets, children, areas where materials may be stored, or landscaping to be moved temporarily.