

# AGREEMENT BETWEEN OWNER AND CONTRACTOR

This agreement is hereby made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between **Larry Robertson, of ValueMax Properties LLC**, hereafter called **Owner**, and \_\_\_\_\_, of \_\_\_\_\_, hereafter called **Contractor**. Contractor, to perform certain work on property located at: \_\_\_\_\_

The said parties, for the considerations hereinafter mentioned, hereby agree to the following:

1. Job Description: The work to be performed under this agreement consists of the following: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
2. Contact Information  
Name: \_\_\_\_\_  
Physical address: \_\_\_\_\_  
Phone number: \_\_\_\_\_  
Insurance company and account: \_\_\_\_\_
3. The Contractor agrees to provide all of the material and labor required to perform the following work as described in the specifications prepared by Contractor and agreed to by Owner, which are identified by the signatures of the parties to this agreement and which form a part of this agreement.
4. It is agreed that Contractor shall perform the specified work as an independent contract. Contractor maintains his or her own independent business. Shall perform the work specified in Clause 1 independent of Homeowner's supervision, being responsible only for satisfactory completion of the work.
5. The Owner hereby agrees to pay the Contractor, for the aforesaid materials and labor, the sum of \$ \_\_\_\_\_ in the following manner:
  - a. \$ \_\_\_\_\_ to be paid at signing of contract.
  - b. Remaining Balance due following completion of work.
  - c. Remaining Balance to be paid within 14 days of completion of work to avoid late fees.
6. The Contractor agrees that the various portions of the above-described work shall be completed according to the following time schedule:
  - a. Contractor's expected start date: \_\_\_\_\_
  - b. Contractor's estimated completion date: \_\_\_\_\_
  - c. The entire above-described work shall be completed no later than: \_\_\_\_\_
7. The Contractor will receive a **monetary award for early completion of work** or will be **charged a penalty if work is delayed**.  
The award/penalty will be assessed as follows:
  - a. If Contractor completes work *before expected due date* (paragraph 6b, above), Owner will award the Contractor the sum of \$50.00 for each day the work is completed in advance of estimated date of completion.
  - b. In the event the work is *delayed beyond the final completion date* (paragraph 6c, above), due to neglect of the Contractor, the Contractor agrees to pay the Owner the sum of \$100.00 per day as liquidated damages until such time as the work is completed.
8. The Contractor agrees to provide and pay for all materials, tools and equipment required for the prosecution and timely completion of the work. Unless otherwise specified, all materials shall be new and of good quality.
9. In the prosecution of the work, the Contractor shall employ (sub-contract) a sufficient number of workers skilled in their trades to suitably perform the work.
10. All changes and deviations in the work ordered by the Owner must be in writing, the contract sum being increased or decreased accordingly by the Contractor. Any claims for increases in the cost of the work must be presented by the Contractor to the Owner in writing, and written approval of the Owner shall be obtained by the Contractor before proceeding with the ordered change or revision.
11. The Owner, Owner's representative and public authorities shall at all times have access to the work. (All parties must be aware of lockbox and security alarm procedures and agree to adhere to these security measures.)
12. The Contractor agrees to re-execute any work which does not conform to the drawings and specifications, warrants the work performed, and agrees to remedy any defects resulting, from faulty materials or workmanship which shall become evident during a period of one year after completion of the work.
13. The Owner agrees to maintain full insurance on the above-described work during the progress of the work, in his own name (property and liability insurance).
14. In the event the Contractor is delayed in the prosecution of the work by acts of God, fire, flood or any other unavoidable casualties; or by labor strikes, late delivery of materials; or by neglect of the Owner; the time for completion of the work shall be extended for the same period as the delay occasioned by any of the aforementioned causes.
15. The Contractor agrees to obtain insurance to protect himself against claims for property damage, bodily injury or death due to his performance of this agreement. If contractor is injured in the course of performing the specific work, Homeowner shall be exempt from liability for those injuries to the fullest extent allowed by law.
16. Hold harmless and indemnify Homeowner for all damages, costs and attorney fees that arise out of harm caused to Contractor, subcontractors and other third parties, known and unknown, by Contractor's performance of the specified work
17. Contractor shall comply with all state and local licensing and registration requirements for type of activity involved in the specified work.

**(Check one box and provide description)**

Contractor's state license or registration is for the following type of work and carries the following number:  
\_\_\_\_\_  
\_\_\_\_\_

Contractor's local license or registration is for the following type of work and carries the following number:  
\_\_\_\_\_  
\_\_\_\_\_

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Contractor is not required to have a license or registration for the specified work, for the following reasons:

\_\_\_\_\_

### 18. Permits and Approvals

**(Check the appropriate boxes)**

- Contractor       Homeowner shall be responsible for determining which permits are necessary and for obtaining the permits.  
 Contractor       Homeowner shall pay for all state and local permits necessary for performing the specific work.  
 Contractor       Homeowner shall be responsible for obtaining approval from the local homeowner's association, if required.

19. Liens and Waiver of Liens : To protect Homeowner against liens being filed by Contractor, subcontractors and providers of materials, contractor agrees that **(check one box and provide description, if necessary)**:

- Final payment to Contractor under Clause 5 shall be withheld by Homeowner until Contractor presents Homeowner with lien waivers, lien releases, or acknowledgment of full payment from each subcontractor and materials provider.  
 All checks to Contractor shall also be made out jointly to all subcontractors and materials suppliers.  
 Contractor shall not:
- Use a subcontractor without first obtaining a lien waiver or release and delivering a copy to Homeowner; or
  - Use any materials without obtaining an "acknowledge of full payment" from the materials supplier and delivering a copy to Homeowner.
- Homeowner and Contractor agree that Homeowner shall be protected against liens in the following manner:

\_\_\_\_\_

20. Site Maintenance: Contractor agrees to be bound by the following conditions when performing the specified work **(check the appropriate boxes and provide descriptions)**:

Contractor shall perform the specified work between the following hours: \_\_\_\_\_

At the end of each day's work, Contractor's equipment shall be stored in the following location: \_\_\_\_\_

At the end of each day's work, Contractor agreement to clean all debris from the work area and leave all appliances and facilities in good working order except as follows: \_\_\_\_\_

Contractor agrees that disruptively loud activities shall be performed only at the following times: \_\_\_\_\_

Contractor agrees to confine all work-related activity, materials and products, including dust and debris, to the following areas: \_\_\_\_\_

Contractor agrees that: \_\_\_\_\_

21. If any dispute arises under the terms of this agreement, the parties agree to select a mutually agreeable neutral third party to help them mediate it.

If the mediation is deemed unsuccessful, the parties agree that **(check one box)**:

- The dispute shall be decided by the applicable small claims court if the amount in dispute is within the court's jurisdiction, and otherwise by binding arbitration under the rules issued by the American Arbitration Association. The decision of the arbitrator shall be final.  
 The dispute shall be directly submitted to binding arbitration under the rules issued by the American Arbitration Association. The decision of the arbitrator shall be final.  
 The dispute shall be settled according to the laws of the state that apply to this agreement. Any costs and fees (other than attorney fees) associated with mediation and arbitration shall be shared equally by the parties.

Attorney fees associated with arbitration or litigation shall be paid as follows **(check one box)**:

- Each party shall pay his or her own attorney fees.  
 The reasonable attorney fees of the prevailing party shall be paid by the other party.

22. The work specified in Clause 1 shall be considered completed upon approval by Homeowner, provided that Homeowner's approval shall not be unreasonably withheld. Except for the "retainage amount" of 10% of the contract price, substantial performance of the specified work in a workmanlike manner shall be considered sufficient grounds for Contractor to require final payment by Homeowner, except as provided in Clause 19 (Liens and Waiver of Liens).

23. Neither the Owner nor Contractor shall have the right to assign any rights or interest occurring under this agreement without the written consent of the other, nor shall the Contractor assign any sums due, or to become due, to him under the provisions of this agreement.

24. This agreement shall be interpreted under laws of the State of Michigan.

IN WITNESS WHEREOF, the parties hereto set their hands and seals the day and year written above.

X \_\_\_\_\_  
**Larry Robertson, ValueMax Properties LLC** (Owner)

X \_\_\_\_\_  
(Contractor)