**Construction Contract**

**This agreement** is made this [Date] by and between [Contractor’s Full Legal Name], located at [Contractor's Address] (hereinafter referred to as the "Contractor"), and [Owner’s Full Legal Name], located at [Owner's Address] (hereinafter referred to as the "Owner").

**WITNESSETH**

**WHEREAS**, the Owner desires to employ the Contractor to perform all necessary work, including providing all required materials, tools, machinery, and supervision for the construction of [Brief Description of Work] located at [Site Location] (the “Project”); and

**WHEREAS**, the Contractor agrees to perform such work in accordance with the drawings, specifications, and other documents attached hereto as Exhibit \_\_\_, which are hereby incorporated by reference and made a part of this Contract;

**NOW, THEREFORE**, in consideration of the mutual covenants and agreements herein contained, the parties agree as follows:

**1. Scope of Work**

The Contractor agrees to furnish all labor, materials, equipment, and services necessary to complete the Project described in this Contract, in strict accordance with the attached drawings and specifications, as well as all applicable codes and standards.

**2. Contract Price**

The total contract price for the Project shall be [Total Contract Price], subject to additions and deductions as provided herein.

**3. Commencement and Completion of Work**

The Contractor shall commence the work within \_\_\_ days from the date of the Notice to Proceed and shall complete the work within \_\_\_ days thereafter, or by [Completion Date], whichever occurs later. Time is of the essence in this Contract.

**4. Insurance Requirements**

The Contractor shall maintain, at its own expense, comprehensive liability insurance with the following minimum limits:

- Personal injury or death: [Amount] per person, [Amount] per occurrence.

- Property damage: [Amount].

- Workers' Compensation insurance as required by law.

Proof of such insurance shall be provided to the Owner prior to the commencement of work.

**5. Hold Harmless and Indemnification**

The Contractor agrees to defend, indemnify, and hold the Owner harmless from any liability, claims, damages, or expenses arising from the Contractor's negligence in performing this Contract. This indemnification includes, but is not limited to, claims by laborers, subcontractors, or material suppliers for unpaid work or materials.

**6. Assignment of Contract**

The Contractor shall not assign this Contract or any part thereof without the prior written consent of the Owner.

**7. Change Orders**

No changes to the work, schedule, or specifications shall be made without a written change order signed by both the Owner and the Contractor.

**8. Lien Waivers**

The Contractor shall protect, defend, and indemnify the Owner from any liens or claims for unpaid work or materials. The Contractor shall furnish lien waivers from all subcontractors and suppliers before receiving payment.

**9. General Guarantee**

The Contractor warrants that all work performed under this Contract shall be free from defects in materials and workmanship for a period of one year from the date of final payment. The Contractor shall repair or replace, at its own expense, any defective work or materials, as well as any damage caused thereby.

**10. Permits and Codes**

The Owner shall obtain all necessary building permits. The Contractor shall obtain, at its own expense, all other permits and licenses required for the work and shall comply with all applicable building codes and regulations.

**11. Work Performance**

The Contractor shall:

1. Protect all work adjacent to the Project site from damage and repair any damage at its own expense.

2. Restore any existing conditions that are damaged as a result of the work.

3. Take all necessary precautions to protect persons and property from injury or damage.

4. Conduct its activities in a professional and business-like manner, adhering to the Owner’s reasonable requests regarding the work schedule.

**12. Condition of Premises**

The Contractor shall maintain the premises in a clean and orderly condition, removing all debris daily, so as not to create health or safety hazards.

**13. Use of Utilities**

The Owner shall permit the Contractor to use, at no cost, power and water necessary to complete the work.

**14. Use of On-Site Loam**

The Owner agrees to allow the Contractor to use on-site loam as necessary for the completion of the Project.

**15. Inspection**

The Owner shall have the right to inspect all work performed under this Contract. All work that requires inspection or testing as a condition of any permits shall be performed and certified before further construction can continue, at the Owner's expense.

**16. Right to Stop Work**

If the Contractor fails to correct defective work or persistently fails to supply materials or equipment in accordance with the Contract Documents, the Owner may order the Contractor to stop work until the cause for such order has been eliminated.

**17. Payment Schedule**

Payments shall be made according to the attached schedule of values. The Owner or its designee will inspect and approve each stage of completion within three days of notification by the Contractor. Payments will be made within ten days of approval.

**18. Contract Security**

The Contractor shall furnish bonds covering the faithful performance of this Contract and the payment of all obligations related thereto, as required in the instructions to bidders or elsewhere in this Contract.

**19. Contract Security (Mortgage in Lieu of Bonds)**

In lieu of conventional performance and payment bonds, the Contractor shall grant the Owner a mortgage on certain property located at [Location], as set forth in Exhibit \_\_\_. The mortgage shall secure the Contractor’s obligations under this Contract, including completion of the work, indemnification of the Owner, and payment of any arbitration awards. The mortgage shall be discharged one year after final payment or following the resolution of any pending arbitration.

**20. Liquidated Damages**

The Contractor agrees to commence work within \_\_\_ days of the Notice to Proceed and to complete the Project within \_\_\_ consecutive calendar days thereafter. If the Contractor fails to complete the Project on time, it agrees to pay liquidated damages of [Amount] per calendar day of delay, except for delays caused by unforeseeable circumstances beyond the Contractor's control.

**21. Taxes**

If applicable, the Owner agrees to provide the Contractor with a tax-exempt number for the purchase of materials.

**22. Arbitration**

1. Any claims, disputes, or other matters arising out of or relating to this Contract shall be decided by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association. The award rendered by the arbitrators shall be final and binding, with judgment entered in any court of competent jurisdiction.

2. The Contractor shall continue to perform work and maintain the progress schedule during any arbitration proceedings unless otherwise agreed in writing.

**23. Governing Law**

This Contract shall be governed by and construed in accordance with the laws of the State of [State Name].

**24. Compliance with Laws**

The Contractor agrees to comply with all applicable laws, regulations, and ordinances, including but not limited to:

1. Equal Employment Opportunity laws.

2. Title VI of the Civil Rights Act of 1964, as amended.

3. The Davis Bacon Act.

4. The Contract Work Hours and Safety Standards Act.

5. Title I of the Housing and Community Development Act of 1974, as amended.

6. The Copeland Anti-Kickback Act.

7. The Vermont Community Development Act.

8. The National Environmental Policy Act (NEPA).

9. Section 3 of the Housing and Urban Development Act of 1968, as amended.

10. Any additional applicable regulations.

**25. Retention of and Access to Records**

The Contractor shall retain all records related to the Project for a minimum of three years after the completion of the Project. Authorized representatives of the Owner, HUD, or other pertinent parties shall have access to all such records for audit purposes.

**26. Conflict of Interest**

No employee, agent, consultant, officer, or elected official of the Owner or any other pertinent party shall have any personal or financial interest in this Contract.

**IN WITNESS WHEREOF**, the parties hereto have executed this Contract as of the date first written above.

**CONTRACTOR**: **OWNER**:

Contractor’s Full Legal Name Owner’s Full Legal Name

Authorized Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Authorized Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_