

# REPAIR AGREEMENT



# Liberty Restoration LLC

A Utah Limited Liability Company  
A Licensed General Contractor  
409 Ironwood Dr., SLC, UT 84115  
libertyrestoration.net  
Toll Free 888-334-6086  
*(Hereinafter known as "Contractor")*

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Owners Address: \_\_\_\_\_  
Member of US Military? \_\_\_\_\_  
Phone: \_\_\_\_\_  
*(Hereinafter known as "Owner")*

**This contract is entered into by and between the parties named above for consideration and by signing below, Parties hereby agree that they have read the front and back of this contract and agree to be bound by the definitions, agreements, acknowledgements, and terms contained in this contract.**

Contractor: \_\_\_\_\_  
Date: \_\_\_\_\_

Owner: \_\_\_\_\_  
Date: \_\_\_\_\_

## INSURANCE CLAIMS

**It is understood by both parties that the Contractor has been hired by the Owner and not by an insurance company or its representative. Although the Contractor may have been recommended by an insurance company or its representative, the Owner is under no obligation to hire the Contractor and is doing so by his/her own choice.**

**DIRECTION TO INSURANCE COMPANY. By signing this contract, the Owner authorizes and hereby directs his/her insurance company to pay Contractor directly for all amounts issued for Work covered under the insurance claim on the Property. Owner also instructs insurance company to list Contractor as an additional payee on any checks and payments issued for the Work, and Owner agrees to notify insurance company to do so.**

**INSURANCE CLAIM CHECKS. Owner agrees to immediately notify Contractor if he/she receives any insurance checks as payment for the Work, whether made payable solely to Owner or jointly to Owner and Contractor. Owner agrees to immediately deliver possession of such checks to the Contractor, who shall hold them in trust until the Work is completed. In the event that the Owner's Mortgage Company or other entity is listed as a payee on insurance checks then Owner agrees to immediately notify the Contractor and give Mortgage Company information or other entity and obtain all proper endorsements on the checks before delivering possession of checks to Contractor.**

## DEFINITIONS

**PROPERTY. The Real property located at \_\_\_\_\_ for which the above named Owner represents to be the title-holder or owner or authorized agent.**

**REPAIR ESTIMATES. A detailed scope and estimate of damages, which may include original or revised estimates, and supplemental estimates that have been prepared for the property by either (A) The Owner's insurance company or its representative, or (B) The Contractor. In emergency situations the Repair Estimates may not be prepared prior to the commencement of Work but instead while the Work progresses (which is understood to be standard practice in the industry). The Repair Estimates are subject to revision while the Work progresses due to unforeseen damages and costs that may arise.**

**WORK. The repairs, restoration, construction or reconstruction as fully described on the Repair Estimates. Also, any changes, additions or deletions to the work, written or verbally authorized by the Owner or Owner's insurance representative, plus any plans, drawings, or specifications prepared by Contractor for the property will be included in the Contact Amount.**

**CONTRACT AMOUNT. The Contract Amount is the total amount listed on the Repair Estimates including changes, additions, and deletions as described under Work. Individual line items on the Repair Estimates with an associated unit price are not valid alone. If any line is extracted from the repair estimates to be used alone to determine the Contract Amount then the Owner understands that additional charges may apply such as costs and profit (this amount can change). If a dispute arises over the Repair Estimates or in a case where an estimate is not provided before the commencement of Work or during the Work, the Owner agrees to reimburse Contractor for all of the following. (A) Direct jobs costs such as subcontractors, laborers, materials, building permits and assessment charges, plus an additional 20% profit. (B) Contractor's supervisory and estimating time at \$95 per hour plus \$0.60 per mile driven. (C) Administration time at \$35 per hour plus costs.**

## TERMS

**WORK COMMENCEMENT. Owner authorizes Contractor to perform the Work at the Property and agrees to allow Contractor reasonable access to the Property to facilitate the Work. It is the Owner's responsibility to understand what building permits are required for the Work and is responsible to obtain and pay for all necessary permits, however, the Contractor may opt to obtain building permits required to complete the Work.**

**PROPERTY INSURANCE. Owner shall purchase and maintain property insurance upon the Property to the full insurable value thereof. This insurance shall be an all-risk policy and shall include interest of the Owner, the Contractor, and all subcontractors and shall insure the Work against the perils of fire, theft, vandalism, and malicious mischief.**

**DELAYS IN WORK. Owner and Contractor acknowledge that there may be delays that may hinder the progress of the Work, which are beyond the reasonable control of Contractor. Delays may include, but are not limited to: weather, natural disasters, unavailability and delays in materials, acts of**

building departments and public utility companies, Owner's actions and omissions, late or non-payment of Contractor's invoices, access to the Property, different contractors or workmen not hired by Contractor, and other delays. Owner hereby agrees that Contractor is not responsible or liable for these Delays and hereby waives the right to bring any claims or causes of action against Contractor and hereby releases Contractor from any and all claims, causes of action, known or unknown, for any injury or damage incurred as a result of these Delays.

**WORK COMPLETION.** Owner agrees to inspect the Work within 10 days of work completion and acknowledge an acceptance of the Work to the Contractor meaning that the Work has been completed to the Owners satisfaction. One of the following may constitute acceptance of the Work by Owner. 1. Owner may give a verbal acceptance of Work to the Contractor. 2. Owner may sign a Work Completion certificate submitted by the Contractor. 3. Failure of the Owner to report unsatisfactory work within 10 days of work completion. 4. If Owner fails to sign and return the Work Completion certificate within 10 days of receiving it from the Contractor.

Upon inspection of the Work, if the Owner finds any items of the Work that are incomplete or unsatisfactory, then the Owner is responsible to establish a final, written punch list, which shall include all outstanding items of the Work that may be defective, incomplete, or not to the Owner's satisfaction hereinto known as the "Punch List". Owner agrees to allow Contractor to correct the Work identified on the Punch List. Owner shall acknowledge the completion of each item on the Punch List verbally or by initialing the Punch List items on the Work Completion certificate and return the certificate to Liberty Restoration within ten (10) days of the Punch List items being completed.

**WORKMANSHIP QUALITY.** If disputes arise as to the quality of the work, the Contractor shall meet the standards set forth in the *Residential Construction Performance Guidelines for Professional Builders and Remodelers, 3<sup>rd</sup> edition*, hereinto known as "Construction Performance Guidelines". If an item is not covered in this publication then standard industry practice shall govern. Also, Owner and Contractor may agree to have a material sales representative inspect work to determine the proper installation methods.

**PAYMENT & COLLECTION.** Upon completion of the work, Contractor will present an invoice to Owner for the Contract Amount. Owner agrees to pay invoice within 10 days. Unpaid balances will accrue interest at a rate of 18% annually. However, Contractor reserves the right to invoice Owner for a down payment before beginning Work, to invoice for progress payments based upon a percentage of the work that has been completed, or for each individual line item in the Repair Estimates as it is completed. Owner agrees to pay all invoiced amounts upon receipt and hereto agrees not to withhold payment on any item that has been completed satisfactorily. The Contractor at its sole discretion may suspend the work if invoiced amounts are not paid within fourteen (14) days of invoice date.

Owner agrees to pay Contractor the full Contract Amount even if the Owner is not reimbursed by its insurance company for any amounts due under this agreement. Owner agrees that he/she is responsible to understand what amounts if any are approved by the insurance company and what deductibles and depreciation may apply.

Owner agrees that making the final payment to the Contractor shall constitute a waiver of all claims by the Owner against Contractor. In addition, Owner agrees to pay reasonable attorney's fees, court costs, or additional charges that may be assessed to the Contractor by any attorney retained in collecting any amounts due under this agreement, enforcing this agreement, or successfully defending any counterclaims or suits brought by Owner relating to this agreement or the Work hereunder. In the event that the Contractor hires a collection company or other personnel to collect any amounts under this agreement, Owner agrees to pay commissions or charges that may be assessed to Contractor for the amounts due hereunder.

**WARRANTY OF WORK.** At its option, the Contractor shall warranty any workmanship or labor shown to be defective, for a period of three (3) years from the original date of repairs. Owner agrees to make any warranty requests to Contractor within ten (10) days of the discovery of any defect in the Work. Contractor will timely repair warranty items and will meet the standards outlined in the Construction Performance Guidelines. If an item is not covered in the Construction Performance Guidelines then standard industry practice shall govern.

The following is excluded from this warranty. 1. Workmanship, materials or labor that were provided by someone other than the Contractor or its hired subcontractors. 2. Areas that border or are adjacent to the areas that were repaired or patched by Contractor. 3. Material defects and any subsequent damages that may be caused by the material defects. Some materials may be covered by a manufacturer's warranty which the owner may present to the material's manufacturer. 4. Damage from normal wear and tear. 5. Personal costs of the Owner, such as inconvenience, work loss, food, living accommodations, etc., incurred in connection with the warranty. 6. Additional items or repairs to make color or style matches, if like products or materials are unavailable. 7. Concrete cracking, chipping or Spalding.

The following will void this warranty. 1. Any attempt on the part of Owner or any person or entity employed by Owner (other than Contractor) to repair the Work or replace the materials after the Work has been completed by Contractor. 2. If Owner pays any invoiced amount or any progress payment after thirty (30) days from the invoice date or progress payment due date.

**TERMINATION OF CONTRACT.** This contract may be terminated by either party by giving a 10 day written notice. If this contract is terminated by either party the Owner agrees to reimburse the Contractor for the following. 1. Payment for all Work completed up to and on the termination date including all direct jobs costs such as subcontractors, laborer, and materials. 2. Any losses, damages, assessments or charges incurred by Contractor due to unusable and/or non-returnable, materials, tools or construction equipment and other damages incurred by Contractor that is applicable to the project. 3. Supervisory and estimating time at \$95 per hour plus \$0.60 per mile driven and \$35 per hour for administration time. 4. 20% profit for the entire repair estimates including amounts due for requested Changes. Any notice required under this Agreement shall be given by certified mail to (A) the addressees shown at the top of this agreement or (B) the last known address of the recipient.

**ARBITRATION.** All claims and disputes arising under or relating to this Agreement, including any question regarding its existence, validity or termination of this matter, may be referred to and finally resolved by arbitration at the option of the Contractor. The award of the arbitration shall be final and binding, and may be confirmed in a court of competent jurisdiction. The cost of arbitration shall be borne equally between parties and attorney's fees shall be awarded only to the prevailing party. Contractor will provide 3 possible arbiters to the Owner from which Owner will have 7 days to select one; otherwise Contractor can make the selection from one of the 3 arbiters. Owner reserves the right to object to an arbiter only on the basis of conflict of interest or lack of expertise in the field.

**MOLD.** *Unless otherwise agreed by the parties in writing, Contractor and Owner acknowledge and agree that Owner has **NOT** employed Contractor to inspect for, treat, clean up, or remediate **MOLD** of any kind. The Owner understands that if the property has been damaged by water mold growth may occur and become a problem at the present time or in the future. Although Contractor may make suggestions pertaining to mold, the Owner understands that the Contractor is not a mold expert and only a Certified Industrial Hygienist can make recommendations to eradicate mold or give a final clearance of the property. Nevertheless, Owner hereby waives the right to bring any claims or causes of action against Contractor and hereby releases Contractor from any and all claims, causes of action, known or unknown, for any injury or damage incurred as a result of mold on the Property. Owner further agrees to indemnify Contractor and hold Contractor harmless for any injury or damage incurred as a result of mold on the Property.*

