



INSTRUCTIONS — NOT PART OF THE AGREEMENT

This template helps Arkansas homeowners understand what a strong contractor agreement looks like. It is an educational starting point provided by jaspector.com — not a finished contract, and not legal advice. Arkansas contractor licensing law and consumer protection rules impose specific requirements, and local jurisdictions may add further obligations. Have this document reviewed by an Arkansas-licensed attorney before use. Use of this template does not create an attorney-client relationship, and jaspector.com assumes no liability for any outcomes arising from its use.

How to Use This Template

1. **Verify the contractor's license.** Use the Arkansas Contractors Licensing Board (ACLB) license lookup at labor.arkansas.gov/licensing/arkansas-contractors-licensing-board to confirm the license is active and that the legal business name matches the contract exactly.
2. **Download and print this document.** Fill in every blank field before signing. Do not leave any section empty or sign a contract with blank spaces.
3. **Read the Arkansas Legal Notes below.** They explain the “No License, No Sue” rule, licensing thresholds, cancellation rights, and mechanics’ lien protections specific to Arkansas.
4. **Both parties sign.** You and the contractor each receive a signed copy before any work starts.
5. **Consult an attorney.** For large projects or complex scopes, have an Arkansas-licensed attorney review the agreement before you sign.

Field-by-Field Guide

Section 1 — Parties

Fill in legal names exactly as they appear on official documents. Enter the contractor’s ACLB license number. Match the business name on this contract to the name on the ACLB license record exactly — this is critical if a dispute develops later. Residential contractors must be licensed for projects over \$2,000; commercial contractors for projects of \$20,000 or more.

Section 2 — Scope of Work

Be as specific as possible. “Roof replacement” is not enough — list materials (shingle type, brand, weight), dimensions, underlayment, and what is explicitly excluded. Vague scopes are the leading cause of contractor disputes in Arkansas.

Section 3 — Payment Schedule

Arkansas has no statutory cap on down payment amounts for home improvement contracts. However, homeowners should negotiate a reasonable deposit — typically no more than 10% of the contract price, or an amount tied to actual mobilization costs and nonreturnable materials — and tie all subsequent payments to completed, verifiable work milestones, not calendar dates. Never pay the full contract price before work is complete.

Section 4 — Timeline

Get start and completion dates in writing. Fill in the delay penalty fields — these protect you if the contractor falls behind without justification.

Section 7 — Warranties

Fill in the warranty period. One year is common; negotiate for longer on major work. Ensure manufacturer warranties are passed through to you in writing.

Section 9.3 — Three-Day Right to Cancel

If the contractor came to your home to solicit or sign this contract, Arkansas Code Ann. §4-89-101 et seq. (Home Solicitation Sales Act) gives you the right to cancel until midnight of the third calendar day (excluding Sundays and legal holidays) after you sign. The contractor must inform you of this right verbally and provide two copies of a cancellation notice form at the time of signing. To cancel: deliver or mail written notice to the contractor's address before the deadline.

Section 11 — Mechanics' Lien

Arkansas mechanics' liens are filed at the county circuit clerk's office. On residential projects, the contractor must give you a written Notice of Intent to Lien at least 10 days before filing. The lien must be filed within 120 days of the last date labor or materials were furnished. Request lien waivers with every payment.

Section 14 — Exhibits

Attach all plans, specs, the contractor's ACLB license printout, certificates of insurance, and the cancellation notice form if applicable. Check each box for what you are including.

Arkansas Legal Notes

Note 1 — “No License, No Sue” Rule (Sections 1, 8, 12)

Under Arkansas Code Ann. §17-25-103(d), an unlicensed contractor cannot bring a lawsuit or file a mechanics' lien to collect payment for work that required a license. This is one of the strongest homeowner protections in Arkansas. Always verify the contractor's ACLB license before signing — an unlicensed contractor performing licensed work cannot legally recover payment, but you may still face costly delays and project abandonment.

Note 2 — Licensing Thresholds (Section 12.1)

Arkansas has two distinct licensing tiers. **Commercial contractors** must be licensed for any project with a total cost of \$20,000 or more (labor and materials combined) under Ark. Code Ann. §17-25-101 et seq.

Residential contractors must be licensed for any project over \$2,000 under Ark. Code Ann. §17-25-501 et seq. **Roofing contractors** must register with the ACLB regardless of project size under Ark. Code Ann. §17-25-601 et seq. Verify which category applies to your project.

Note 3 — No Statutory Deposit Cap (Section 3.2)

Unlike California, Arkansas does not impose a statutory dollar cap on contractor down payments for home improvement contracts. Homeowners should negotiate conservatively — limit upfront payments to mobilization costs and nonreturnable materials. A down payment exceeding 30–33% of the contract price for work that has not yet begun warrants careful scrutiny.

Note 4 — Mechanics' Lien Deadlines (Section 11)

Arkansas mechanics' lien law (Ark. Code Ann. §18-44-101 et seq.) sets the following key deadlines: **Notice of Intent to Lien** must be served on the property owner at least 10 days before a lien is filed (residential projects). The **lien itself** must be filed within 120 days of last furnishing labor or materials. On commercial projects, material suppliers must send a Notice to Owner and Contractor within 75 days of each delivery. Liens are recorded with the county circuit clerk — not at the state level. Request unconditional lien waivers with every payment.

Note 5 — Home Solicitation Cancellation (Section 9.3)

The Arkansas Home Solicitation Sales Act (Ark. Code Ann. §4-89-101 et seq.) applies when a contractor solicits or signs a contract at your home or any location other than their established place of business, for a purchase price of \$25 or more. You have three calendar days (excluding Sundays and legal holidays) to cancel without penalty. The contractor must notify you of this right at the time of signing, both orally and in writing, and provide two cancellation notice forms. Failure to provide these notices may extend your right to cancel.

Note 6 — Contractor Bond (Section 8.2)

Commercial contractors licensed by the ACLB must maintain a \$10,000 surety bond (Ark. Code Ann. §17-25-304). This bond provides a limited recovery mechanism for consumers who suffer losses due to contractor violations. Verify bond status through the ACLB. Note that the bond amount is relatively low — do not rely on it as your primary financial protection for large projects.

Note 7 — Small Claims Limit (Section 10.3)

Arkansas small claims court handles disputes up to **\$5,000** (Ark. Code Ann. §16-17-203). For disputes above that threshold, the matter proceeds in Arkansas Circuit Court. The prevailing party may recover attorney's fees under Ark. Code Ann. §16-22-308 where a written contract exists.

Note 8 — ACLB Complaint Process

Homeowners may file a complaint with the Arkansas Contractors Licensing Board at any time. The Board investigates complaints involving both licensed and unlicensed contractor activity. Filing a complaint does not prevent you from also pursuing civil legal remedies. Contact the ACLB at labor.arkansas.gov/licensing/arkansas-contractors-licensing-board or by mail at Arkansas Department of Labor and Licensing, 900 West Capitol Avenue, Suite 400, Little Rock, AR 72201.

About Jaspector

jaspector.com is an AI-powered property advisory service that helps homeowners navigate construction projects, verify contractors, and resolve disputes. If a dispute arises during your project, we can help you document the issue and build a resolution strategy.

Learn more at jaspector.com — or email hi@jaspector.com to get started.

The instructions and notes above are provided by jaspector.com as an educational resource. They are not part of the agreement, do not constitute legal advice, and do not create an attorney-client or endorsement relationship. Template Version 1.0 — March 21, 2026.

ARKANSAS HOMEOWNER-CONTRACTOR AGREEMENT

This agreement is entered into by the Homeowner and Contractor identified in Section 1 below.

Section 1 — Parties

Homeowner (Property Owner)

Name(s) _____

Property Address _____

Mailing Address (if different) _____

Phone _____

Email _____

Contractor

Business Name (Legal Entity) _____

ACLB License Number _____

ACLB License Classification(s) _____

Qualifying Individual Name _____

Business Address _____

Phone _____

Email _____

Workers' Compensation Policy # _____

General Liability Policy # _____

Section 2 — Scope of Work

2.1 Project Description

2.2 Work NOT Included

2.3 Permits and Inspections

- Contractor is responsible for obtaining all required building permits
- Contractor is responsible for scheduling all required inspections
- Permit costs are: Included in contract price / Billed separately at cost (circle one)

2.4 Plans and Specifications

- Attached as Exhibit A (architectural / engineering plans)
- Attached as Exhibit B (material specifications)
- No formal plans — scope defined by Section 2.1 above

Section 3 — Contract Price and Payment Schedule

3.1 Total Contract Price

Total Contract Price	\$ _____
Sales Tax (if applicable)	\$ _____
Permit Fees (if billed separately)	\$ _____
Total Amount Due	\$ _____

3.2 Payment Schedule

Payment	Amount	Trigger (Work Milestone)
Down Payment	\$ _____	Upon signing
Progress Payment 1	\$ _____	_____
Progress Payment 2	\$ _____	_____
Progress Payment 3	\$ _____	_____

Payment	Amount	Trigger (Work Milestone)
Final Payment	\$ _____	Completion and final inspection
Total	\$ _____	

3.3 Payment Terms

- Payments are due within _____ days of written invoice
- Acceptable payment methods: _____
- No payment shall be due for work not yet performed or materials not yet delivered to the job site
- Final payment is due only after: (a) all work is complete, (b) final inspection is passed (if applicable), and (c) Homeowner has had reasonable opportunity to inspect

Section 4 — Project Timeline

Estimated Start Date _____

Estimated Completion Date _____

4.1 Delays

- Contractor shall notify Homeowner in writing within 48 hours of any event that may delay the project
- Excusable delays include: weather, permit delays, material shortages, acts of God, government orders
- Non-excusable delays exceeding _____ business days entitle Homeowner to a daily credit of \$ _____ (liquidated damages), not to exceed _____% of the total contract price
- If the project is not substantially complete within _____ days of the estimated completion date (excluding excusable delays), Homeowner may terminate this contract under Section 9

Section 5 — Change Orders

Any changes to the scope, price, or timeline of this contract must be documented in a written Change Order signed by both parties before the changed work begins.

Each Change Order shall include: (1) description of the changed work; (2) addition to or deduction from the contract price; (3) impact on the project timeline; (4) signature of both Homeowner and Contractor.

No verbal agreements will modify this contract.

Section 6 — Materials and Workmanship

6.1 Materials

- All materials shall be new unless otherwise specified in writing
- Specific materials, brands, and grades are listed in: Section 2.1 / Exhibit B (circle applicable)
- Substitutions require prior written approval from Homeowner
- Contractor warrants that all materials comply with applicable building codes

6.2 Workmanship Standards

- All work shall be performed in a professional, workmanlike manner
- All work shall comply with applicable Arkansas building codes and local ordinances
- All work shall conform to the plans, specifications, and scope described in this contract
- Contractor shall maintain a clean and safe job site

6.3 Subcontractors

- Contractor will / will not use subcontractors (circle one)
- If subcontractors are used, Contractor remains fully responsible for their work, licensing, and insurance
- All subcontractors performing work that requires an ACLB license must hold a valid, active license
- Homeowner may request ACLB license numbers for any subcontractor working on the project

Section 7 — Warranties

7.1 Contractor Warranty

Contractor warrants all labor and workmanship for a period of _____ year(s) from the date of completion. During this period, Contractor shall repair or correct, at Contractor's expense, any defects in workmanship or materials furnished by Contractor.

7.2 Manufacturer Warranties

Contractor shall provide Homeowner with all manufacturer warranties for materials and equipment installed. Contractor shall ensure installations comply with manufacturer specifications to preserve warranty coverage.

7.3 Warranty Exclusions

This warranty does not cover: normal wear and tear; damage caused by Homeowner negligence or misuse; damage caused by third parties or acts of God; items specifically excluded in writing.

Section 8 — Insurance and Bonding

8.1 Contractor Insurance Requirements

Contractor shall maintain, at minimum, the following coverage for the duration of the project:

Coverage	Minimum Amount
General Liability	\$ _____
Workers' Compensation	Statutory limits (required if Contractor has employees)
Automobile Liability (if applicable)	\$ _____

- Contractor shall provide certificates of insurance upon request
- Homeowner shall be named as additional insured on the general liability policy

8.2 ACLB Contractor Bond

Commercial contractors licensed by the ACLB must maintain a \$10,000 surety bond as required by Ark. Code Ann. §17-25-304. This bond provides a limited recovery mechanism for consumers. Contractor represents that all required bonds are currently in force. Verify bond and license status at the Arkansas Contractors Licensing Board website.

Section 9 — Termination

9.1 Homeowner's Right to Terminate

Homeowner may terminate this contract at any time by providing written notice to Contractor. Upon termination: Homeowner shall pay for all work satisfactorily completed and materials delivered to the job site as of the termination date; Contractor shall provide an itemized accounting within 10 business days; Contractor shall not charge a cancellation penalty exceeding actual costs reasonably incurred.

9.2 Contractor's Right to Terminate

Contractor may terminate this contract if: (a) Homeowner fails to make a payment due under this contract within _____ days of written notice of default; or (b) conditions at the job site make the work unsafe or illegal to continue.

9.3 Three-Day Right to Cancel (Home Solicitation Sales)

If this contract was solicited at the Homeowner's residence or at a location other than the Contractor's established place of business, for a purchase price of \$25 or more, the Homeowner has the right to cancel this contract until midnight of the **third calendar day** (excluding Sundays and legal holidays) after the day the Homeowner signs the agreement, pursuant to Ark. Code Ann. §4-89-101 et seq. The Contractor must inform the Homeowner of this right verbally and in writing at the time of signing, and provide two copies of a

cancellation notice form. Failure to provide these notices may extend the cancellation period. To cancel: deliver or mail written notice to the Contractor's address in Section 1 before the applicable deadline.

Section 10 — Dispute Resolution

10.1 Informal Resolution

The parties agree to attempt informal resolution of any dispute by written notice describing the issue. The other party shall respond in writing within 15 business days.

10.2 Mediation

If informal resolution fails, the parties agree to submit the dispute to non-binding mediation before a mutually agreed mediator. Mediation costs shall be shared equally.

10.3 Legal Action

If mediation fails, either party may pursue legal action in the Arkansas Circuit Court for the county where the property is located. For disputes of \$5,000 or less, the Small Claims Division provides a simplified process (Ark. Code Ann. §16-17-203). The prevailing party may be entitled to recover reasonable attorney's fees and costs where a written contract exists (Ark. Code Ann. §16-22-308).

Section 11 — Mechanics' Lien Notice

Arkansas Code Ann. §18-44-101 et seq. allows contractors, subcontractors, and material suppliers to place a mechanics' lien on your property if they are not paid for work or materials. This lien can affect your ability to sell or refinance. Under Ark. Code Ann. §17-25-103(d), an unlicensed contractor cannot file a lien or bring legal action to enforce a contract — but a properly licensed contractor can.

11.1 Notice of Intent to Lien

On residential projects, a contractor or subcontractor must serve the property owner with a written **Notice of Intent to Lien** at least **10 days** before filing a mechanics' lien. If you receive such a notice, do not ignore it. Contact the contractor immediately to resolve any payment dispute. Keep all notices on file.

11.2 Lien Filing Deadline

A mechanics' lien must be filed with the county circuit clerk within **120 days** of the last date labor or materials were furnished to the project. On commercial projects, material suppliers must send a Notice to Owner and Contractor within **75 days** of each delivery to preserve lien rights. Homeowner shall request lien waivers from Contractor and all known subcontractors with each progress payment, and a final unconditional lien waiver before making the final payment.

11.3 Protecting Against Liens

- Request lien waivers from Contractor and all subcontractors with each progress payment
- Request a final unconditional lien waiver upon final payment

- Require Contractor to provide a list of all subcontractors and material suppliers at project start
- Verify that all subcontractors are properly licensed — licensed subcontractors can enforce liens; unlicensed ones cannot

Section 12 — Arkansas-Specific Requirements

12.1 Licensing Thresholds (Ark. Code Ann. §§17-25-101, 17-25-501, 17-25-601)

- Commercial projects: \$20,000 or more (labor and materials combined) — ACLB commercial license required
- Residential projects: over \$2,000 — ACLB residential license required
- Roofing work: ACLB roofing registration required regardless of project size
- Contractor represents that the applicable license or registration is current and covers this project type

12.2 “No License, No Sue” Protection (Ark. Code Ann. §17-25-103(d))

An unlicensed contractor cannot bring a lawsuit or file a mechanics’ lien to collect payment for work performed in violation of Arkansas licensing law. By signing this contract, Contractor warrants that they hold a valid, active ACLB license or registration covering the work described herein. Homeowner verifies the license at the ACLB before signing.

12.3 ACLB License Statement

Contractors performing work at or above the applicable licensing threshold are required by law to be licensed by the Arkansas Contractors Licensing Board. Questions concerning a contractor may be directed to the Arkansas Contractors Licensing Board, Arkansas Department of Labor and Licensing, 900 West Capitol Avenue, Suite 400, Little Rock, AR 72201.

Section 13 — General Provisions

13.1 Entire Agreement

This contract, including all exhibits and change orders, constitutes the entire agreement between the parties. No prior verbal or written representations shall be binding unless incorporated herein.

13.2 Severability

If any provision of this contract is found unenforceable, the remaining provisions shall continue in full force and effect.

13.3 Governing Law

This contract shall be governed by the laws of the State of Arkansas.

13.4 Notice

All notices under this contract shall be in writing and delivered to the addresses listed in Section 1, by personal delivery, certified mail, or email with confirmed receipt.

13.5 Assignment

Neither party may assign this contract without the prior written consent of the other party.

Section 14 — Exhibits and Attachments

- Exhibit A: Plans and Drawings
- Exhibit B: Material Specifications
- Exhibit C: Notice of Three-Day Right to Cancel (if applicable)
- Exhibit D: Contractor's ACLB License Printout
- Exhibit E: Certificates of Insurance
- Additional: _____

Signatures

By signing below, both parties acknowledge that they have read, understand, and agree to all terms of this contract.

Homeowner

Signature

Printed Name

Date

Homeowner (if jointly owned)

Signature

Printed Name

Date

Contractor

Signature

Printed Name

Title

ACLB License #

Date

Arkansas Homeowner Pre-Signing Checklist

Before signing, confirm each item below.

- Verified contractor's ACLB license is active at labor.arkansas.gov/licensing/arkansas-contractors-licensing-board
- Legal business name on contract matches the ACLB license record exactly
- License classification covers this project type (commercial, residential, or roofing)
- Project meets the applicable threshold: residential over \$2,000; commercial \$20,000 or more; roofing any amount
- Workers' compensation insurance confirmed (if contractor has employees)
- Surety bond confirmed (\$10,000 required for commercial contractors — Ark. Code Ann. §17-25-304)
- Down payment is reasonable — tied to mobilization costs and nonreturnable materials only
- Payment schedule tied to work milestones, not calendar dates
- Three-day right to cancel notice provided (if contract was solicited at home)
- All blank fields in this contract are filled in — no blank spaces
- Received a signed copy of the complete contract before work starts
- Plans, specs, and material lists are attached or described in detail
- List of all subcontractors and material suppliers requested from contractor
- Lien waiver plan confirmed — waivers to be collected with every payment