



INSTRUCTIONS — NOT PART OF THE AGREEMENT

This template helps Delaware 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. Delaware contractor registration requirements and consumer protection rules impose specific obligations, and local jurisdictions may add further requirements. Have this document reviewed by a Delaware-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 credentials.** All contractors must hold a Delaware Division of Revenue business license. For state-regulated trades (electrical, plumbing, HVAC, fire protection), verify credentials at delpros.delaware.gov. Also check whether the city, town, or county where the property is located requires a separate local license.
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 Delaware Legal Notes below.** They explain the deposit cap, cancellation rights (including extended rights for seniors and persons with disabilities), mechanics' lien rules, and the home improvement fraud statute.
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 a Delaware-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 Delaware business license number and any applicable DELPROS trade credentials. The business name on this contract should match the name on the Division of Revenue license exactly. For regulated trades, the DELPROS credential number is also required.

Section 2 — Scope of Work

Be as specific as possible. "Kitchen remodel" is not enough — list materials, dimensions, finishes, and what is explicitly excluded. The Delaware Home Improvement Regulations require the contract to describe the work to be performed and materials to be used. Vague scopes are the leading cause of contractor disputes.

Section 3 — Payment Schedule

Delaware law caps the deposit for home improvement contracts at **10% of the contract price**. If the contractor needs more than 10% upfront to purchase specific materials or professional services that are necessary to begin the project, the deposit for those items may not exceed 33% of the cost of those materials and professional services. 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 — Right to Cancel

Delaware gives homeowners the right to cancel a home improvement contract within **three (3) business days** of signing without penalty. If the homeowner is **age 62 or older, or has a disability**, the cancellation period is **five (5) business days**. The contractor must attach a detachable Notice of Cancellation form to the contract, printed in 12-point, bold-face type. Upon cancellation, the contractor must return all money paid within 10 days.

Section 11 — Mechanics' Lien

Delaware does not require a preliminary notice before a mechanics' lien is filed. This means subcontractors and suppliers may have lien rights even if you did not know they were working on the project. Request lien waivers from the contractor and all subcontractors with every payment. Prime contractors must file within 180 days of project completion; subcontractors and suppliers within 120 days of their last date of furnishing labor or materials.

Section 14 — Exhibits

Attach all plans, specs, the contractor's business license and DELPROS credentials, certificates of insurance, workers' compensation certificate, and the required Notice of Cancellation form. Check each box for what you are including.

Delaware Legal Notes

Note 1 — No General Contractor License (Section 1, 12.1)

Delaware does not have a single statewide general contractor license. All contractors must register with the **Delaware Division of Revenue** and obtain a business license before performing work. For **state-regulated trades** (electrical, mechanical, plumbing, HVAC, fire protection), a DELPROS credential is additionally required. Many cities, towns, and counties also impose their own contractor or business registration requirements. Always verify which jurisdictions apply to your project before signing.

Note 2 — Deposit Cap (Section 3.2)

Under the Delaware Home Improvement Regulations (6 Del. Admin. Code 201), a contractor may not collect a deposit exceeding **10% of the contract price** for a home improvement project. An exception applies when the contractor needs to purchase specific materials or professional services that are necessary to begin the project and cannot be obtained for less than 10% of the contract price — in that case, the deposit for those items is capped at **33% of the cost of those materials and professional services**. All payments other than the deposit must be tied to the amount of work, materials, or services performed at each milestone. Never pay the full contract price in advance.

Note 3 — Cancellation Rights (Section 9.3)

Under the Delaware Home Improvement Regulations and Title 6, Ch. 44 (Home Solicitation Sales Act), homeowners have the right to cancel a home improvement contract within **three (3) business days** of signing without penalty or obligation. Homeowners who are **age 62 or older, or who have a disability**, have **five (5) business days** to cancel. The contractor is required to attach a detachable “Notice of Cancellation” form to the contract, printed in 12-point, bold-face type, at the time of signing. Upon cancellation, the contractor must return all deposits and money paid within **10 days** of receiving the cancellation notice. Failure by the contractor to provide the Notice of Cancellation form may extend the cancellation period.

Note 4 — Home Improvement Fraud (Section 12.3)

Under 11 Del. C. §916, home improvement fraud is a **criminal offense** in Delaware. A person who enters into a home improvement contract using false pretenses or who receives money for home improvements and fails to use those funds for their intended purpose may be charged with a felony. Penalties range from a Class G felony to a Class B felony depending on the amount of loss. **Enhanced penalties apply when the victim is age 62 or older**. Report suspected home improvement fraud to the Delaware Department of Justice, Consumer Protection Unit, at 1-800-220-5424 or at attorneygeneral.delaware.gov.

Note 5 — Mechanics’ Lien Rules (Section 11)

Delaware mechanics’ lien law (25 Del. C. §2701 et seq.) does not require a preliminary notice before a lien is filed. This is a critical difference from many other states: subcontractors and material suppliers may have lien rights even if the homeowner was unaware of their involvement in the project. Key filing deadlines: **prime contractors** must file within **180 days** of project completion; **subcontractors and suppliers** must file within **120 days** of their last date of furnishing labor or materials. A filed lien must be enforced by a writ of scire facias within **180 days** after recording, or it expires automatically. Requesting lien waivers with every payment is the single most effective protection available to homeowners.

Note 6 — Workers’ Compensation (Section 8.1)

Under Delaware Code Title 19, Ch. 23, **every employer with one or more employees must carry workers’ compensation insurance**. There is no minimum employee threshold for coverage — it is required from the first employee. In the construction industry, workers cannot be misclassified as independent contractors to avoid this requirement. Ask the contractor for a current certificate of insurance before any work begins. If an uninsured worker is injured on your property, you could face significant financial liability.

Note 7 — Consumer Protection Complaint (Section 10.3)

Homeowners may file a complaint with the Delaware Department of Justice, Consumer Protection Unit at any time. The Consumer Protection Unit investigates complaints involving home improvement fraud, deceptive trade practices, and violations of the Home Improvement Regulations. Filing a complaint does not prevent you from also pursuing civil legal remedies. Under Delaware law, a homeowner damaged by a violation of the Home Improvement Regulations has a private cause of action and may recover actual damages, costs, and reasonable attorney's fees. Contact the Consumer Protection Unit at 1-800-220-5424 or attorneygeneral.delaware.gov.

Note 8 — Small Claims and Legal Action (Section 10.4)

Delaware Court of Common Pleas handles civil claims up to **\$75,000**. The Justice of the Peace Court handles small claims up to **\$25,000** and provides a simplified, lower-cost process for homeowners with smaller disputes. If mediation fails and the dispute exceeds \$25,000, the matter proceeds in the Court of Common Pleas or Superior Court depending on the amount. The prevailing party in a home improvement dispute may recover reasonable attorney's fees and costs under the Home Improvement Regulations.

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.

DELAWARE 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) _____

Delaware Business License # _____

DELPROS Credential # (if applicable) _____

Trade Classification(s) _____

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

Delaware law (6 Del. Admin. Code 201) caps the deposit at 10% of the contract price. All other payments must be tied to completed work milestones.

Payment	Amount	Trigger (Work Milestone)
Deposit	\$ _____	Upon signing (max 10% of contract price)
Progress Payment 1	\$ _____	_____
Progress Payment 2	\$ _____	_____

Payment	Amount	Trigger (Work Milestone)
Progress Payment 3	\$ _____	_____
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.

Under the Delaware Home Improvement Regulations, any changes to the payment schedule must be reflected in a written amendment to this contract.

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 Delaware 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 state-regulated trade work must hold valid DELPROS credentials
- Homeowner may request license or credential 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 from first employee — 19 Del. C. Ch. 23)
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 Workers' Compensation

Under Delaware Code Title 19, Ch. 23, every employer with one or more employees must carry workers' compensation insurance. There is no minimum employee threshold — coverage is required from the first employee. In the construction industry, workers may not be classified as independent contractors to circumvent this requirement. Contractor represents that all required workers' compensation coverage is currently in force and shall provide a current certificate of insurance upon request.

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 Right to Cancel

Pursuant to the Delaware Home Improvement Regulations and 6 Del. C. Ch. 44 (Home Solicitation Sales Act), the Homeowner has the right to cancel this home improvement contract without penalty or obligation within **three (3) business days** of the date this agreement is signed. Homeowners who are **age 62 or older, or who have a disability**, have **five (5) business days** to cancel. The Contractor must attach a detachable Notice of

Cancellation form to this contract, printed in **12-point, bold-face type**, at the time of signing. Upon receipt of a valid cancellation notice, the Contractor must return all deposits and money paid by the Homeowner within **10 days**. Failure by the Contractor to provide the required Notice of Cancellation form may extend the Homeowner's right to cancel.

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 court of appropriate jurisdiction in the county where the property is located. Delaware Justice of the Peace Court handles claims up to \$25,000; the Court of Common Pleas handles claims up to \$75,000. Under the Delaware Home Improvement Regulations, a homeowner damaged by a violation has a private cause of action and may recover damages, costs, and reasonable attorney's fees. Contact the Delaware Department of Justice, Consumer Protection Unit at 1-800-220-5424 or attorneygeneral.delaware.gov to report violations or obtain referrals.

Section 11 — Mechanics' Lien Notice

Delaware Code Title 25, Ch. 27 (25 Del. C. §2701 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. Delaware does not require a preliminary notice before a lien is filed — subcontractors and suppliers may have lien rights even if the homeowner was unaware of their involvement.

11.1 Lien Filing Deadlines

Prime contractors must file a mechanics' lien within **180 days** of project completion. **Subcontractors and material suppliers** must file within **120 days** of their last date of furnishing labor or materials. A filed lien must be enforced by a writ of scire facias within **180 days** after recording, or it expires automatically.

11.2 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

- If a list of subcontractors and suppliers is requested, the prime contractor must provide it within 10 days or forfeit lien rights

Section 12 — Delaware-Specific Requirements

12.1 Contractor Registration (6 Del. Admin. Code 201)

- Contractor confirms registration with the Delaware Division of Revenue and possession of a current business license
- Contractor confirms applicable DELPROS trade credentials for any state-regulated trade work (electrical, plumbing, HVAC, fire protection)
- Contractor confirms compliance with applicable local (city, town, county) contractor licensing or registration requirements

12.2 Home Improvement Contract Requirements (6 Del. Admin. Code 201)

Under the Delaware Home Improvement Regulations, this contract must include:

- The contractor's name, business address, and Delaware business license number
- A description of the work to be performed and materials to be used
- The contract price and payment schedule tied to work milestones
- The approximate start and completion dates
- A deposit not exceeding 10% of the contract price (or 33% of required material/service costs where applicable)
- A detachable Notice of Cancellation form in 12-point, bold-face type

12.3 Home Improvement Fraud Notice (11 Del. C. §916)

Home improvement fraud is a criminal offense in Delaware. A person who enters into a home improvement contract using false pretenses or false promises, or who receives money for home improvements and fails to apply those funds for their intended purpose, may be charged with a felony. Penalties range from a Class G felony (losses under \$1,500) to a Class B felony (losses of \$100,000 or more). Enhanced penalties apply when the victim is age 62 or older. Suspected fraud should be reported to the Delaware Department of Justice, Consumer Protection Unit, at 1-800-220-5424.

12.4 Notice of Cancellation

The following Notice of Cancellation must be attached to this contract as a detachable form, printed in 12-point, bold-face type:

NOTICE OF CANCELLATION

Contractor Name: _____

Contractor Business Address: _____

Date of Transaction: _____

Cancellation Deadline: _____ (three business days after the date above; five business days if Homeowner is age 62 or older or has a disability)

You may cancel this transaction, without any penalty or obligation, within three (3) business days from the above date (five business days if you are age 62 or older or have a disability). If you cancel, any property traded in, any payments made by you under the contract, and any negotiable instrument executed by you will be returned within 10 days following receipt by the contractor of your cancellation notice.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice, or any other written notice, to the contractor at the address shown above, not later than midnight of the cancellation deadline date shown above.

I HEREBY CANCEL THIS TRANSACTION.

Homeowner Signature: _____ Date: _____

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 Delaware.

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 Cancellation (detachable form — required)
- Exhibit D: Contractor's Delaware Business License / DELPROS Credentials
- Exhibit E: Certificates of Insurance
- Exhibit F: Workers' Compensation Certificate
- 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

DE Business License #

Date

Delaware Homeowner Pre-Signing Checklist

Before signing, confirm each item below.

- Verified contractor holds a Delaware Division of Revenue business license
- Verified DELPROS credentials for any state-regulated trade work (electrical, plumbing, HVAC, fire protection)
- Checked applicable local (city, town, county) contractor licensing requirements
- Workers' compensation insurance confirmed (required from first employee — 19 Del. C. Ch. 23)
- General liability insurance certificate obtained
- Deposit does not exceed 10% of contract price (or 33% of required material/service costs where applicable)
- Notice of Cancellation form attached in 12-point, bold-face type
- Cancellation deadline noted: 3 business days (5 business days if age 62+ or disability)
- Payment schedule tied to work milestones, not calendar dates
- 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 (no preliminary notice required in Delaware)