



INSTRUCTIONS — NOT PART OF THE AGREEMENT

Minnesota Homeowner-Contractor Agreement

Before you begin: This template helps you understand what a strong Minnesota contractor agreement looks like. It is an educational starting point provided by **jaspector.com** — not a finished contract, and not legal advice. Minnesota law imposes specific requirements on residential contractor licensing and statutory warranties, and local jurisdictions may add further obligations. Have this document reviewed by a Minnesota-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 **Minnesota DLI License and Registration Lookup** at dli.mn.gov to confirm the credential is active, the classification matches your project (residential building contractor or remodeler), and bond and workers' compensation coverage are current.
2. **Download and print this document.** Fill in all blank fields — do not leave any section empty. Minnesota law requires a written contract before work begins.
3. **Review each Minnesota callout.** These notes highlight state-specific legal protections, including the 1/2/10-year statutory warranties and lien notice rules. Read them carefully.
4. **Both parties sign.** You and the contractor each get a signed copy before any work starts.
5. **Consult an attorney.** This template is a starting point. For large projects or complex scopes, have a Minnesota-licensed attorney review the agreement.

Field-by-Field Guide

- **Section 1 (Parties):** Fill in legal names exactly as they appear on official documents. The contractor's DLI license number and classification are required.
- **Section 2 (Scope):** Be as specific as possible. List materials, dimensions, finishes, and what is excluded. Vague scope descriptions are the leading cause of residential construction disputes.
- **Section 3 (Payment):** Minnesota has no statutory deposit cap. The Attorney General recommends no more than one-third (1/3) of the contract price as a down payment. Tie every payment to a completed milestone, not a calendar date.
- **Section 4 (Timeline):** Get start and completion dates in writing. Fill in the delay penalty fields — these protect you if the contractor falls behind.
- **Section 7 (Warranties):** Fill in the express warranty period. Minnesota's statutory warranties (1/2/10 years under Minn. Stat. §327A) apply automatically and cannot be waived — make sure your contractor acknowledges them.

- **Section 11 (Liens):** Collect lien waivers with every payment. Subcontractors must serve a 45-day preliminary notice to preserve lien rights under Minn. Stat. §514.011 — keep all notices on file.
- **Section 14 (Exhibits):** Attach all plans, specs, the DLI license printout, and the cancellation form. Check each box for what you are including.

Minnesota Legal Notes

Section 1 — Licensing: Residential building contractors and remodelers must be licensed under Minn. Stat. §326B.805. The DLI credential type matters — confirm whether the contractor holds a *Residential Building Contractor* license or a *Residential Remodeler* license, and that the classification covers your project scope. Verify at dli.mn.gov before signing.

Section 3.2 — Down Payment: Minnesota law does not cap deposit amounts, but the Attorney General's office advises limiting down payments to no more than one-third of the total contract price. Never pay in cash; use a check or credit card so you have a record.

Section 7.2 — Statutory Warranties (Minn. Stat. §327A): Minnesota's 1/2/10-year statutory warranties apply automatically to residential construction and remodeling. They cannot be disclaimed or waived and benefit subsequent purchasers as well. The 10-year structural defect warranty is among the strongest homeowner protections in the country.

Section 9.3 — Cancellation: If the contract was signed at your home or away from the contractor's permanent place of business, the Minnesota Home Solicitation Sales Act (Minn. Stat. §325G.06) gives you three (3) business days to cancel in writing without penalty. The contractor must provide a cancellation form at signing. Failure to provide it extends the cancellation period.

Section 11 — Mechanics' Liens: Minnesota lien claimants have 120 days from the last day of work to file. Subcontractors and suppliers who lack a direct contract with you must serve a 45-day preliminary notice (Minn. Stat. §514.011) to preserve lien rights. Use joint checks or require lien waivers with every payment.

Section 12 — DLI Complaints: You may file a complaint with the Minnesota DLI at any time regarding licensing violations. The DLI can suspend or revoke a contractor's license. For broader consumer protection issues, contact the Minnesota Attorney General's Office.

About Jaspector

jaspector.com is an AI-powered property advisory service that helps homeowners navigate construction projects, verify contractors, and resolve disputes. If a problem arises during your project, jaspector.com 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 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.

MINNESOTA HOMEOWNER-CONTRACTOR AGREEMENT

SECTION 1: PARTIES

Homeowner (Property Owner)

Name(s)

Property Address

Mailing Address (if different)

Phone

Email

Contractor

Business Name (Legal Entity)

DLI License / Registration #

DLI License Classification

Qualifying Individual Name

Business Address

Phone

Email

Workers' Compensation Policy #

General Liability Policy #

Minnesota Requirement: Verify the contractor's DLI license or registration at dli.mn.gov before signing. Residential building contractors and remodelers must be licensed under Minn. Stat. §326B.805. Confirm the credential type covers your project scope and that required bond and workers' compensation coverage are current.

SECTION 2: SCOPE OF WORK

2.1 Project Description

Describe the work in specific, measurable detail. Include materials, methods, dimensions, and reference any plans, drawings, or specifications attached as exhibits.

2.2 Work NOT Included

Explicitly list work that is excluded from this contract to prevent scope disputes.

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

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

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

3.2 Payment Schedule

Minnesota Guidance: Minnesota does not impose a statutory cap on down payments for residential construction contracts. The Minnesota Attorney General recommends limiting down payments to no more than one-third (1/3) of the total contract price. Tie all payments to completed work milestones, not calendar dates.

Payment	Amount	Trigger (Work Milestone)
Down Payment	\$	Upon signing (recommended: no more than 1/3 of contract price)
Progress Payment 1	\$	
Progress Payment 2	\$	
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

Milestone	Date
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
- 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 Minnesota 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
- If subcontractors are used, Contractor remains fully responsible for their work, licensing, and insurance
- All subcontractors performing work that requires a DLI license (plumbing, electrical, HVAC, residential building) must hold a valid, active license
- Homeowner may request DLI 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 Minnesota Statutory Warranties (Minn. Stat. §327A)

In addition to any express warranty in this contract, Minnesota Statutes §327A imposes the following statutory warranties on the contractor for residential real property:

Period	Coverage
1 Year	Defects in workmanship and materials not conforming to applicable building codes
2 Years	Defects in mechanical systems (plumbing, electrical, heating, cooling, ventilation)
10 Years	Structural defects that threaten habitability

These statutory warranties cannot be waived and run in favor of the homeowner and subsequent purchasers.

7.3 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.

7.4 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 DLI Bond Requirements

Minnesota Requirement (Minn. Stat. §326B.805): Licensed residential building contractors and remodelers must maintain a surety bond with the Minnesota DLI as a condition of licensure. Bond amounts vary by license type and volume of work. Verify current bond status through the DLI license lookup at dli.mn.gov.

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 of all work completed and materials delivered within **10 business days** of termination
- Contractor shall not charge a cancellation penalty exceeding the actual costs reasonably incurred

9.2 Contractor's Right to Terminate

Contractor may terminate this contract if:

- Homeowner fails to make a payment due under this contract within ___ days of written notice of default
- Conditions at the job site make the work unsafe or illegal to continue

9.3 Right to Cancel

Minnesota Law (Minn. Stat. §325G.06 — Home Solicitation Sales Act): If this contract was solicited and signed at the Homeowner's residence or at a location other than the Contractor's regular place of business, the Homeowner has the right to cancel this contract within **three (3) business days** of signing, without penalty or obligation. The Contractor must provide a written Notice of Cancellation form at the time of signing. Cancellation must be delivered in writing by midnight of the third business day. Upon cancellation, the Contractor must return all payments within **ten (10) business days**.

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 DLI Complaint

Minnesota Resource: Homeowners may file a complaint with the Minnesota Department of Labor and Industry regarding licensed or unlicensed contractor activity. The DLI can suspend or revoke a contractor's license. For consumer protection issues, contact the Minnesota Attorney General's Office. File a DLI complaint at dli.mn.gov.

10.4 Legal Action

If mediation fails, either party may pursue legal action in the county where the property is located. The prevailing party shall be entitled to recover reasonable attorney's fees and costs. Minnesota Conciliation Court (small claims) handles claims up to **\$15,000**.

SECTION 11: MECHANICS' LIEN NOTICE

Minnesota Law (Minn. Stat. §514): Minnesota allows contractors, subcontractors, and material suppliers to place a mechanics' lien on your property if they are not paid. A lien statement must be filed within **120 days** after the last date labor or materials were provided. Once filed, a lien action must be commenced within **1 year**. A lien can affect your ability to sell or refinance.

11.1 Protecting Against Mechanics' Liens

- Request **lien waivers** from the contractor and all subcontractors with each progress payment
- Request a **final lien waiver** from the contractor and all subcontractors upon final payment
- Consider requiring Contractor to provide a list of all subcontractors and material suppliers at the start of the project
- Verify that payments are flowing to subcontractors and suppliers by requesting proof of payment

11.2 Preliminary Notice (Minn. Stat. §514.011)

Under Minnesota law, subcontractors and material suppliers who do not have a direct contract with the homeowner must provide written notice to the homeowner within **45 days** of first furnishing labor or materials in order to preserve lien rights. If you receive such a notice, it does not mean there is a problem — it preserves the sender's right to file a lien if they are not paid. Keep all such notices on file.

SECTION 12: ADDITIONAL MINNESOTA REQUIREMENTS

12.1 Contractor Licensing Compliance Checklist

Minnesota requires residential building contractors and remodelers to be licensed by the DLI. Confirm the following before signing:

- Contractor's DLI license number and classification included in this contract
- License is active and not expired, suspended, or revoked
- License classification covers the scope of work being performed

- Required bond is in force (verify at dli.mn.gov)
- Workers' compensation coverage is in force (if contractor has employees)

12.2 Required Contract Disclosure

Minnesota requires a written contract before work begins. The contract must include the contractor's DLI license number, a description of the work, the contract price, and approximate start and completion dates. Confirm all blank fields are filled in before signing and that you receive a signed copy before work starts.

12.3 Statutory Warranty Notice (Minn. Stat. §327A.04)

Minnesota's 1/2/10-year statutory warranties (Minn. Stat. §327A) apply to residential construction and remodeling performed in the regular course of business. These warranties cannot be disclaimed or waived, and they run in favor of both the original homeowner and subsequent purchasers.

12.4 Workers' Compensation and Insurance

Minnesota law (Minn. Stat. §326B.701) requires residential contractors to carry workers' compensation insurance if they have employees. Independent contractors working alone may be exempt. Verify current DLI requirements before work begins.

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 Minnesota.

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 Form
- Exhibit D: Contractor's DLI 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

DLI License #

Date

MINNESOTA PRE-SIGNING CHECKLIST (FOR HOMEOWNER USE)

Before signing, confirm:

- Verified contractor's DLI license or registration is active at dli.mn.gov

- License classification covers the project type (residential building contractor or remodeler)

- Workers' compensation status confirmed (if contractor has employees)

- Bond status confirmed through DLI lookup

- General liability insurance certificate obtained

- Down payment is reasonable (recommended: no more than 1/3 of contract price)

- Cancellation notice form provided (if contract signed 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

- Payment schedule tied to work milestones, not calendar dates

- Plans, specs, and material lists are attached or described in detail

- Minnesota statutory warranties (1/2/10 years) acknowledged in writing

This template was prepared by jaspector.com as an educational resource for Minnesota homeowners. It is not legal advice. Consult a Minnesota-licensed attorney before executing any construction contract. — Template Version 1.0, March 2026