



INSTRUCTIONS — NOT PART OF THE AGREEMENT

This template helps you understand what a strong Pennsylvania contractor agreement looks like. It is an educational starting point provided by jaspector.com — not a finished contract, and not legal advice.

Pennsylvania law imposes specific requirements on home improvement contracts, and local jurisdictions may add further obligations. Have this document reviewed by a Pennsylvania-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

This template was built by jaspector.com to help Pennsylvania homeowners protect themselves when hiring a contractor. It covers the key provisions required by Pennsylvania law, including deposit limits, cancellation rights, and mechanics' lien protections.

Before You Start

1. **Verify the contractor's registration.** Use the [PA Attorney General Home Improvement Contractor Registration](#) page to confirm the contractor is registered and the legal business name matches. See our [Pennsylvania registration lookup guide](#) for step-by-step help.
2. **Download and print this document.** Fill in all blank fields — do not leave any section empty. Pennsylvania law requires a completely filled-in contract before work begins.
3. **Review each Pennsylvania callout box.** These boxes highlight state-specific legal protections. Read them carefully — they explain your rights as a homeowner.
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 Pennsylvania-licensed attorney review the agreement.

Pennsylvania Legal Notes

- **Registration threshold:** Contractors performing home improvement work of \$5,000 or more per year must register with the PA Office of Attorney General (73 P.S. 517.7).
- **Deposit cap:** The down payment may not exceed one-third (1/3) of the total contract price (73 P.S. 517.7(a)(8)).
- **Cooling-off period:** For door-to-door sales (contracts signed at your home or away from the contractor's office), you have 3 business days to cancel (73 P.S. 201-7; FTC Cooling-Off Rule, 16 CFR 429).

- **Mechanics' liens:** Contractors must file a lien claim within 6 months of completion. For residential properties of 4 units or fewer, subcontractors must serve a Preliminary Notice of Furnishing (49 P.S. 1501(a)).
- **Local licensing:** Many Pennsylvania municipalities (including Philadelphia, Pittsburgh, and many boroughs) require separate local contractor licenses. Check with your local building department.
- **Contractor registration verification:** Verify the contractor's PA Attorney General registration at attorneygeneral.gov before signing. Confirm the registration is current and the legal business name matches the contract.
- **Permits:** The contractor should pull permits for the work they are performing. Many municipalities require local contractor licenses or registrations in addition to the state AG registration. Confirm with your local building department.
- **Payment law (73 P.S. 517.7(a)(8)):** The down payment may not exceed one-third (1/3) of the total contract price. Subsequent payments should be tied to work completed, not calendar dates.
- **Change orders (73 P.S. 517.7(a)):** All changes to a home improvement contract must be in writing. If a contractor performs extra work without a signed change order, the homeowner is not obligated to pay for it.
- **Workers' compensation:** Pennsylvania law requires employers to carry workers' compensation insurance (PA Workers' Compensation Act, 77 P.S. 1 et seq.). Verify the contractor's coverage. Contractors who claim to have no employees should confirm sole-proprietor status. The PA Home Improvement Consumer Protection Act does not mandate a contractor bond, but homeowners may request proof of bonding as an additional protection.
- **Three-day right to cancel (73 P.S. 201-7 / FTC 16 CFR 429):** If the contract was solicited at the homeowner's residence or away from the contractor's permanent place of business, the homeowner may cancel within three (3) business days without penalty. The contractor must provide a written cancellation notice form at signing. Failure to provide this notice violates the PA Unfair Trade Practices and Consumer Protection Law (73 P.S. 201-1 et seq.) and may extend the cancellation period.
- **Attorney General complaints:** Homeowners may file a complaint with the PA Office of Attorney General Bureau of Consumer Protection at any time. File at: attorneygeneral.gov/submit-a-complaint. Phone: 1-800-441-2555.
- **Mechanics' lien protections (49 P.S. 1101 et seq.):** Pennsylvania allows contractors, subcontractors, and material suppliers to place a mechanics' lien on your property if they are not paid. A contractor must file a lien claim within six (6) months of completion. For residential properties of four units or fewer, subcontractors and suppliers without a direct contract with the homeowner must serve a Preliminary Notice of Furnishing before they can file a lien claim (49 P.S. 1501(a)).
- **Contract requirements (73 P.S. 517.7(a)):** Pennsylvania law requires home improvement contracts to include: the contractor's legal name, address, and registration number; a description of the work and materials; the total price and payment schedule; approximate start and completion dates; three-day cancellation notice (if applicable); a statement of AG registration; the contractor's phone number; and the total down payment amount (not exceeding 1/3 of contract price).

- **Notice to owner:** "You are entitled to a completely filled in copy of this agreement, signed by both you and the contractor, before any work may be started." (73 P.S. 517.7(a))

Field-by-Field Guide

- **Section 1 (Parties):** Fill in the legal names exactly as they appear on official documents. The contractor's PA Attorney General registration number is required for work of \$5,000 or more.
- **Section 2 (Scope):** Be as specific as possible. "Kitchen remodel" is not enough — list materials, dimensions, finishes, and what is excluded.
- **Section 3 (Payment):** Pennsylvania caps your down payment at **one-third (1/3)** of the contract price. 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 penalties — these protect you if the contractor falls behind.
- **Section 7 (Warranties):** Fill in the warranty period. One year is common; negotiate for more on major work.
- **Section 14 (Exhibits):** Attach all plans, specs, and the contractor's registration printout. Check each box for what you are including.

About Jaspector

Jaspector 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 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.

PENNSYLVANIA HOMEOWNER-CONTRACTOR AGREEMENT

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Section 1: Parties

Homeowner (Property Owner)

Name(s)

Property Address

Mailing Address (if different)

Phone

Email

Contractor

Business Name (Legal Entity)

PA Attorney General Registration #

Business Address

Phone

Email

Workers' Comp Policy #

General Liability Policy #

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 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

Total Contract Price	\$
Sales Tax (if applicable)	\$
Permit Fees (if separate)	\$
Total Amount Due	\$

3.2 Payment Schedule

Pennsylvania law caps the down payment at one-third (1/3) of the total contract price. Tie payments to milestones, not calendar dates.

PAYMENT	AMOUNT	TRIGGER (WORK MILESTONE)
Down Payment	\$	Upon signing (max 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

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 Pennsylvania 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 state license or registration must hold valid, active credentials
- Homeowner may request registration or license numbers for any subcontractor working on the project

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 Three-Day Right to Cancel

If this contract was solicited at the Homeowner's residence or at a location other than the Contractor's permanent place of business, the Homeowner has the right to cancel within three (3) business days of signing without penalty. The Contractor must provide a written cancellation notice form at signing.

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 Common Pleas in the county where the property is located. The prevailing party shall be entitled to recover reasonable attorney's fees and costs. Pennsylvania small claims (Magisterial District Court) handles claims up to \$12,000.

Section 11: Mechanics' Lien Notice

11.1 Protecting Against Mechanics' Liens

- Request **lien waivers** from the contractor and all subcontractors with each progress payment
- Request a **final lien waiver** upon final payment
- Under Pennsylvania law, a contractor must file a mechanics' lien claim within **six (6) months** of the completion of work (49 P.S. 1502(a))
- Subcontractors must serve formal written notice on the property owner within **30 days** of last performing work if no prior written contract exists with the owner directly
- Consider requiring Contractor to provide a list of all subcontractors and material suppliers at the start of the project

11.2 Residential Property Protection

For residential properties of four units or fewer, subcontractors and suppliers who do not have a direct contract with the homeowner must serve a Preliminary Notice of Furnishing before they can file a lien claim (49 P.S. 1501(a)). 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 notices on file.

Section 12: Additional Pennsylvania Requirements

12.1 Contract Requirements Under the Home Improvement Consumer Protection Act (73 P.S. 517.7(a))

Pennsylvania law requires that home improvement contracts include:

- The contractor's legal name, business address, and PA Attorney General registration number
- A description of the work to be performed and materials to be used
- The total contract price and payment schedule
- The approximate start and completion dates
- A notice of the three-day right to cancel (if applicable)
- A statement that the contractor is registered with the PA Attorney General (if applicable)
- The contractor's telephone number
- The total down payment amount (not exceeding 1/3 of the contract price)

12.2 Notice to Owner

"You are entitled to a completely filled in copy of this agreement, signed by both you and the contractor, before any work may be started." — Required under Pennsylvania Home Improvement Consumer Protection Act (73 P.S. 517.7(a))

12.3 Attorney General Registration Statement

Home improvement contractors performing work of \$5,000 or more per year are required to register with the Pennsylvania Office of Attorney General. Questions or complaints may be directed to: Office of Attorney General, Bureau of Consumer Protection, 15th Floor, Strawberry Square, Harrisburg, PA 17120. Phone: 1-800-441-2555.

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 Commonwealth of Pennsylvania.

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
- Exhibit D: Contractor's PA Attorney General Registration 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 _____

PAAG Registration # _____

Date _____

Pennsylvania-Specific Checklist (For Homeowner Use)

Before signing, confirm:

- Verified contractor's PA Attorney General registration at attorneygeneral.gov
- Registration legal business name matches the contract
- Workers' compensation status confirmed (if contractor has employees)
- General liability insurance confirmed
- Down payment does not exceed one-third (1/3) of the contract price
- Three-Day Right to Cancel notice provided (if signed at home or away from contractor's office)
- 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
- Checked for any additional local municipal contractor licensing requirements

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