# **Sample Construction Agreement Template**

This Construction Agreement ("Agreement") is entered into on [Effective Date] between:

**Party A: Owner**

* [Owner's Name]
* [Owner's Address]

**Party B: Contractor**

* [Contractor's Name]
* [Contractor's Address]

**Project Details:**

* **Project Name**: [Project Name]
* **Project Location**: [Project Location]
* **Project Commencement Date**: [Project Commencement Date]
* **Project Completion Date**: [Project Completion Date]

**Scope of Work**

The scope of work for this construction project is detailed below. This includes a description of the work to be performed, material specifications, and other relevant details.

**Detailed Scope of Work**

| **Task** | **Description** |
| --- | --- |
| Foundation | - Excavation and foundation preparation as per architectural plans. |
| Structural Work | - Construction of the superstructure, including walls and columns. |
| Exterior | - Installation of exterior finishes, including cladding and paint. |
| Interior | - Installation of interior partitions, flooring, and finishing. |
| Plumbing | - Plumbing work, including installation of pipes and fixtures. |
| Electrical | - Electrical wiring, outlets, and fixture installation. |
| HVAC | - Installation of heating, ventilation, and air conditioning systems. |
| Landscaping | - Landscaping work as specified in the landscape design. |

**Material Specifications**

The following materials will be used in the construction of the project:

| **Material** | **Specifications** |
| --- | --- |
| Concrete | - Grade: [Specify Grade] |
| Cement | - Grade: [Specify Grade] - Brand: [Specify Brand] |
| Bricks | - Type: [Specify Type] - Source: [Specify Source] |
| Steel | - Type: [Specify Type] - Source: [Specify Source] |
| Paint | - Type: [Specify Type] - Brand: [Specify Brand] |
| Flooring | - Material: [Specify Material] - Finish: [Specify Finish] |
| Wood | - Type: [Specify Type] - Source: [Specify Source] |
| Wooden Hardware | - Brand: [Specify Brand] - Model: [Specify Model] |
| Plumbing Fixtures | - Brand: [Specify Brand] - Model: [Specify Model] |
| Electrical Wiring | - Type: [Specify Type] - Brand: [Specify Brand] |
| HVAC System | - Type: [Specify Type] - Brand: [Specify Brand] |
| Appliances | - Type: [Specify Type] - Brand: [Specify Brand] |

**Contract Price**

The total contract price for this project is agreed upon as [Total Contract Price]. This amount includes all costs associated with the construction, including labor, materials, permits, and subcontractors.

**Payment Schedule:**

* The owner shall make payments to the contractor based on the following schedule:
  + [Milestone 1]: [Payment Amount]
  + [Milestone 2]: [Payment Amount]
  + [Milestone 3]: [Payment Amount]
  + [Milestone 4]: [Payment Amount]
  + [Final Payment]: [Payment Amount]

Payments will be made within [Specify Payment Terms] from the completion of each milestone.

**Timelines**

The project timelines are as follows:

* Project Commencement Date: [Project Commencement Date]
* Project Completion Date: [Project Completion Date] Or [Months from the Date Agreement is made]

The project will progress according to the following milestones:

* [Milestone 1]: [Milestone Description]
* [Milestone 2]: [Milestone Description]
* [Milestone 3]: [Milestone Description]
* [Milestone 4]: [Milestone Description]

**Delays and Penalties**

Delays in project completion that are the responsibility of the contractor will result in penalties. The specifics of penalties are as follows:

* [Specify Penalties which shall be borne by the Contractor for Delays]
* [Specify Penalties which shall be borne by the Owner for Delays]

**Changes to the Scope**

Any changes or modifications to the original scope of work must be documented and approved by both parties in writing. Changes may result in adjustments to the contract price and timeline.

**Validity Clause**

This Construction Agreement shall commence on the Effective Date, as defined in the preamble of this Agreement, and shall remain in effect until the entire construction of the said project is completed and the fulfillment of all obligations and responsibilities by both parties, unless terminated earlier in accordance with the terms and conditions outlined below in this Agreement.

**Time Extension**

Upon mutual agreement between the Owner and the Contractor, this Agreement may be extended for a specific period in writing. Such extension shall be subject to any necessary amendments and adjustments as agreed upon by both parties. Both parties shall complete their respective responsibilities as detailed out in the agreement before they agree to make any chances to the agreement.

**Termination Clause**

Either party may terminate this Agreement and this agreement shall be settled under the following circumstances:

* If one party breaches any material term or condition of this Agreement and fails to remedy such breach within [Specify Cure Period] days from the receipt of a written notice from the other party.
* If the project becomes impossible to complete due to unforeseen circumstances, including but not limited to natural disasters, government actions, or force majeure events.

**Dispute Resolution**

In case of disputes or disagreements, the parties agree to resolve them through arbitration in accordance with the laws of India. Both parties agree that the arbitration decision shall be final and binding.

**Governing Law and Jurisdiction**

This Agreement shall be governed by and construed in accordance with the laws of India. Any legal actions or proceedings related to this Agreement shall be initiated and conducted in the appropriate courts of [Specify Jurisdiction].

**Entire Agreement**

This Agreement constitutes the entire understanding between the parties and supersedes all prior agreements, representations, or understandings, whether written or oral.

**IN WITNESS WHEREOF**, the parties hereto have executed this Construction Agreement as of the Effective Date of this Agreement.

**Party A: Owner**

Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
[Owner's Name]

**Party B: Contractor**

Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
[Contractor's Name]

This sample agreement format provides a clear framework for a construction project, ensuring that both the owner and the contractor have a shared understanding of the project's scope, cost, and timeline. It also addresses potential issues, such as delays and disputes, in a structured manner.