

# COST PLUS CONSTRUCTION CONTRACT

Project Location: \_\_\_\_\_ Contract Number: \_\_\_\_\_

## Parties:

Owner Name: \_\_\_\_\_

Owner Address: \_\_\_\_\_

Contractor Name: \_\_\_\_\_

Contractor Address: \_\_\_\_\_

## Contract Overview:

This Cost Plus Construction Contract (the "Contract") is entered into by and between Owner and Contractor as set forth above. Contractor agrees to provide labor, materials, equipment, and services necessary to perform the construction work described herein in accordance with the terms and conditions set forth in this Contract.

### 1. Scope of Work

Contractor shall furnish all labor, materials, equipment, and services required to complete the project as described in the attached plans, specifications, and any change orders agreed upon in writing. Work shall be performed in a professional and workmanlike manner in compliance with all applicable laws, ordinances, codes, and regulations.

### 2. Contract Sum; Cost Plus Fee

Owner agrees to pay Contractor the actual Cost of the Work plus a Fee for Contractor's overhead and profit. "Cost of the Work" means the reasonable and necessary costs incurred by Contractor in the performance of the Work, including but not limited to labor, materials, equipment, subcontractor costs, and other direct expenses.

The Fee shall be \_\_\_\_\_% (percentage) of the Cost of the Work, or a fixed amount of \$\_\_\_\_\_, whichever is specified in the attached Schedule.

### 3. Payment Terms

Contractor shall submit monthly applications for payment, including a detailed statement of Costs incurred and the Fee earned, less previous payments. Owner shall make payment within \_\_\_\_\_ days after receipt and approval of such application. Payments made shall not waive any rights or claims Owner may have against Contractor.

### 4. Changes in the Work

Owner may, without invalidating this Contract, order changes in the Work consisting of additions, deletions, or other revisions. All such changes shall be authorized by written Change Orders signed by Owner and Contractor specifying the change in Contract Sum and/or Contract Time.

### 5. Time of Completion

Contractor shall commence work promptly and shall achieve Substantial Completion within \_\_\_\_\_ calendar days

after commencement, subject to adjustments as provided in this Contract. Time is of the essence.

## **6. Contractor's Responsibilities**

Contractor shall supervise and direct the Work, employ proper skill and attention, provide all labor, materials, and equipment, maintain safety precautions, comply with laws and regulations, and coordinate with subcontractors and suppliers to ensure proper performance.

## **7. Owner's Responsibilities**

Owner shall provide access to the site, furnish necessary information and approvals, make payments in accordance with this Contract, and perform other obligations specified herein.

## **8. Insurance and Bonds**

Contractor shall maintain insurance coverage including general liability, workers' compensation, automobile liability, and any other insurance required by law or the Contract Documents. Contractor shall provide certificates of insurance upon request. Bonds shall be provided as specified.

## **9. Indemnification**

To the fullest extent permitted by law, Contractor shall indemnify, defend, and hold harmless Owner and its agents from and against claims, damages, losses, and expenses arising out of or resulting from the performance of the Work, provided that such claims are caused by Contractor's negligence or willful misconduct.

## **10. Warranty**

Contractor warrants to Owner that materials and equipment furnished under this Contract will be of good quality and new unless otherwise required, and that the Work will be free from defects for a period of one year from the date of Substantial Completion, except for normal wear and tear.

## **11. Termination**

Owner may terminate this Contract for cause if Contractor fails to correct defective work or breaches any material term and fails to cure within \_\_\_\_\_ days after written notice. Contractor may terminate if Owner fails to pay as required. Upon termination, payment shall be made for work performed to date and reasonable demobilization costs.

## **12. Dispute Resolution**

Any disputes arising out of or related to this Contract shall first be subject to good faith negotiation between the parties. If unresolved, disputes shall be submitted to mediation. If mediation fails, the parties agree to binding arbitration in accordance with the rules of the American Arbitration Association or any other mutually agreed forum.

## **13. Governing Law**

This Contract shall be governed by and construed in accordance with the laws of the State of \_\_\_\_\_, without regard to conflicts of law principles.

**14. Entire Agreement**

This Contract, including all attachments, exhibits, and any written amendments, constitutes the entire agreement between the parties and supersedes all prior negotiations, representations, or agreements, whether written or oral.

**15. Severability**

If any provision of this Contract is held to be illegal, invalid, or unenforceable, the remaining provisions shall remain in full force and effect.

**16. Notices**

All notices under this Contract shall be in writing and delivered personally, sent by nationally recognized overnight courier, certified mail return receipt requested, or by electronic means that provide confirmation of delivery, to the addresses set forth herein or as otherwise designated.

**17. Signatures; Counterparts**

This Contract may be executed in counterparts, each of which shall be deemed an original, and which together shall constitute one and the same instrument. Electronic signatures and scanned copies shall be deemed valid and binding.

**OWNER'S SIGNATURE**

**CONTRACTOR'S SIGNATURE**

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

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