

CONTRACTS WE USE TO SERVE YOU

Standard Time and materials & Labor Only contracts:

1. Purpose of Time & Materials Contracts

Time & Materials (T&M) contracts are used when the full scope of a project is unclear, likely to change, or dependent on conditions discovered during the work. This structure gives the Client flexibility while allowing the Contractor to adjust labor and materials as the project progresses. T&M is ideal for projects such as kitchen renovations, remodels, or repairs involving hidden or unpredictable issues. Under a T&M contract, the **Contractor is responsible for all measuring, site preparation, material sourcing, and related tasks necessary to complete the project.**

Purpose of Labor-Only Service Contracts

All work performed by Nally's Neighborhood Repairs is provided as labor-only unless otherwise stated in writing. Each project's tasks, timeline, and expectations will be outlined in a written estimate before work begins. Under a Labor-Only contract, the **Homeowner or Project Manager is responsible for all measuring, site preparation, and material sourcing prior to the start of work.** The Contractor performs labor tasks only, billed at the agreed hourly rate.

2. Project Definition

Before work begins, the Client and Contractor will define the expected outcome of the project. This includes a general description of the work, known goals, and any initial concerns. This framework guides the estimate and helps set expectations for labor, materials, and potential complexities.

3. Estimates and Pricing

- All estimates are **free**
- Estimates include projected labor hours, expected materials, and any markup percentages if applicable.
- Labor rates follow Nally's Neighborhood Repairs' standard pricing, which is fair, transparent, and commonly below the U.S. average.
- Estimates may change if new issues are discovered or if the Client requests additional work.
- Pricing may vary depending on workload, complexity, and timeframe.

4. Payment Structure

To schedule and begin work, the Client agrees to pay **50% of the total estimated cost upfront.**

- The remaining balance is due **within 30 days of the job completion date.**
- Accepted payment methods include cash, check, or approved electronic payment.
- Late payments may incur reasonable fees if not resolved promptly.

5. Flexibility and Scope Changes

Contracts allow for adjustments as the project evolves. The Client understands that:

- Hidden issues may be uncovered during the project
- Additional labor or materials may be required
- The final cost may differ from the initial estimate
- The Contractor will communicate changes promptly and clearly

Any Client-requested changes will be added to the final invoice.

6. Contractor Responsibilities

Nally's Neighborhood Repairs agrees to:

- Perform all work in a professional, safe, and workmanlike manner
- Communicate clearly about progress, discoveries, and unexpected issues
- Provide honest recommendations based on experience and safety

- Treat the Client's home with respect and care

7. Client Responsibilities

The Client agrees to:

- Provide access to the work area during scheduled times
- Maintain a reasonably clear and safe workspace
- Communicate changes or concerns as early as possible
- Pay for materials upfront and the final invoice within the 30-day window

8. Cancellations

If the Client cancels the project before work begins:

- Material costs already purchased are non-refundable
- Any unused materials may be returned if allowed by the supplier

If the Client cancels after work has begun:

- The Client is responsible for all labor performed up to the cancellation
- All materials purchased for the project remain billable

9. Completion of Work

A project is considered complete when the defined work has been finished to the standards outlined in the project description and confirmed with the Client. The final invoice will be issued at that time.

10. Acceptance of Terms

By approving an estimate or scheduling work under a Time & Materials or Labor contract structure, the Client acknowledges and agrees to these Terms & Conditions as part of their agreement with Nallys Neighborhood Repairs.

SETTING EXPECTATIONS

Demo Terms & Conditions

1. Client Responsibility for Clearing the Demo Area

Before any demolition work begins, the Client agrees to ensure that the demo area is fully cleared of **personal belongings, valuables, fragile items, electronics, décor, keepsakes, or anything that could be damaged during demolition**. The Client is solely responsible for removing these items prior to the scheduled demo.

2. Risk of Damage or Loss

Demolition work involves force, debris, vibration, and unpredictable material movement. Because of this, any items left in the demo area may be exposed to:

- Breakage
- Dust or debris damage
- Loss or misplacement
- Structural impact from demo tools or falling materials

Failure to remove important items may result in **damage or loss to the Client's property**.

3. Contractor Liability

Nallys Neighborhood Repairs is **not responsible** for:

- Damage to items left in the demo area
- Loss of personal belongings
- Damage caused by debris, vibration, or demolition tools
- Any harm to items the Client did not remove prior to the start of demo

By agreeing to demolition services, the Client acknowledges that demolition is inherently destructive and accepts responsibility for clearing the area beforehand.

4. Confirmation Before Work Begins

The Contractor may verbally confirm that the area appears ready, but this does **not** transfer responsibility. The Client remains fully responsible for ensuring the space is cleared and safe for demolition.

5. Acceptance of Demo Terms

By scheduling demolition work or approving an estimate that includes demo services, the Client agrees to these Demo Terms & Conditions as part of their agreement with Nallys Neighborhood Repairs.

Acceptance of Terms — Signatures & Payments

By approving an estimate, signing the acceptance section, **or submitting the Parts and Materials payment**, the Client acknowledges and agrees to all Terms & Conditions set forth by Nallys Neighborhood Repairs.

A Parts and Materials payment is considered a **binding acceptance of the contract**, equal in validity to a physical or electronic signature. Once payment is received, the Client affirms that they have reviewed the estimate, understand the scope of work, and agree to the responsibilities, payment structure, cancellation rules, warranty terms, and all other conditions contained in this agreement.

Cancellations & Diagnostic Trip Charge

We provide complimentary on-site estimates as a courtesy to our clients. During this visit, we assess your project needs, confirm the scope of work, and prepare a detailed cost estimate. Once the work order is approved and signed, we begin by collecting the payment for Parts and Materials. This is half of the total estimated cost.

Cancellation After Materials Are Purchased (Work Not Yet Started)

If materials have been purchased but work has not yet begun:

All purchased materials will be left with the client.

The Parts and Materials payment is non-refundable.

The client is responsible for a Diagnostic Trip Charge of \$175.00

This includes a \$100 minimum service fee and an additional \$75.00 to cover the time spent sourcing, retrieving, and transporting materials.

Cancellation After Work Has Begun

If a project is canceled after work has started:

All work will stop immediately.

Our team will remain on-site to document and photograph completed and in-progress work.

A formal change order will be initiated.

All completed work must be paid for in full.

Any additional costs, add-ons, or related expenses will be included in the final invoice.

Once the change order is finalized, the project is considered complete, and standard payment timelines apply.

***NOTE* ALL CANCELATIONS AFTER WORK IS AGREED UPON INCLUDE: \$0.725 industry standard diagnostic trip charge.**

LATE PAYMENT PENALTIES & INTEREST

Clients are given a courtesy contact on the day their final bill is due. We will attempt to collect the total payment at that time. If our client is unable to make the payment on the due date, they are given a 7 day extension for a flat fee based on the chart below for standard jobs costing up to \$1500.00:

INVOICE TYPE	RANGE	FEE
SMALL TIER	Under \$250.00	\$15.00
MID 1 TIER	\$251.00-\$750.00	\$30.00
MID 2 TIER	\$751.00-\$1500.00	\$45.00

For Larger Jobs, a 14 day extension for a percentage is provided based on the chart below:

INVOICE TYPE	RANGE	FEE
LARGE 1 TIER	\$1501.00-\$7500.00	10%
LARGE 2 TIER	\$7501.00+	12%

LEGAL TIMELINE FOR UNPAID INVOICES

Nallys Neighborhood Repairs works hard to keep every project simple, honest, and neighborly. Part of that clarity includes explaining what happens if an invoice goes unpaid. These steps follow state law and protect both the homeowner and the contractor.

1. Payment Window

All invoices are due within the payment timeframe listed in your contract. If payment is not received, the following legal timeline will apply.

2. Formal Notices and Escalation

- **45 Days Past Due** — A formal demand letter will be sent requesting immediate payment.
- **60 Days Past Due** — An “Intent to Lien” notice will be issued, informing the homeowner that a Mechanics Lien may be filed if the balance remains unpaid.
- **80 Days Past Due** — A Mechanics Lien will be filed against the property.
- **90 Days Past Due** — The unpaid balance will be considered a breach of contract, and legal action will be initiated.

Balances of \$10,000 or Less — These will be pursued in Small Claims Court.

Any fees, costs, or expenses incurred while attempting to recover the unpaid balance will be added to the total amount owed by the client.

Understanding a Mechanics Lien

A Mechanics Lien is a legal claim placed on a property when a contractor, subcontractor, laborer, or supplier has not been paid for work or materials that improved the property. It ensures that those who contributed to the project have a legal path to recover unpaid amounts.

Key Points About Mechanics Liens

- **Purpose** — A lien protects contractors and suppliers who provided labor or materials but were not paid.
- **Impact on Property** — A lien becomes part of the property’s title, which can delay or prevent selling or refinancing until the debt is resolved.
- **Legal Requirements** — Filing a lien requires following strict state deadlines and notice procedures.
- **Other Names** — Sometimes called a construction lien, contractor’s lien, or materialman’s lien.
- **Enforcement** — If the debt remains unpaid, the lienholder may pursue foreclosure to recover the amount owed.

PAYMENT PROCESSING & WEBSITE TERMS

1. Secure Online Payments

Nallys Neighborhood Repairs provides a secure, user-friendly online payment system to protect your personal and financial information. All transactions are encrypted, and a confirmation email will be sent once your payment has been successfully processed. Clients are encouraged to print or save their receipt for their records.

2. Accepted Payment Methods

We gladly accept the following forms of payment:

- Cash
- Checks
- Venmo
- **Debit or Credit Card** — *A 4% processing fee is applied by the payment vendor. This fee is outside the control of Nally's Neighborhood Repairs.*

Clients may choose the payment method that best fits their needs. All payments must fully clear before materials can be purchased or work can begin.

3. Payment Processing Times

Processing times vary depending on the selected payment method.

- Most electronic payments settle within **1–3 business days**.
- Checks may require **up to 10 business days** to clear.

Processing times are determined by the issuing bank or payment platform and are outside the control of Nallys Neighborhood Repairs.

4. Materials Payment Requirement

For all projects requiring materials, **work cannot begin until the Materials payment has fully cleared**. This ensures that all necessary items can be purchased and prepared before labor begins.

5. Receipts and Documentation

An Invoice Receipt will be provided once the job is complete for Time and materials contracts and Add On Milestone Contracts. Labor Contracts generally do not get an Invoice Receipt. If you require a receipt, please ask and we will gladly provide one to you. Clients are encouraged to print or save digital payment receipts for additional confirmation.

6. Payment Confirmation

A payment is considered complete only when funds have cleared and been received by Nallys Neighborhood Repairs. Any delays caused by banks, payment processors, or third-party platforms do not alter project timelines or material-purchase requirements.

Paypal User Agreement

<https://www.paypal.com/us/legalhub/paypal/useragreement-full>

Venmo User Agreement

<https://venmo.com/legal/us-user-agreement/>

Visa and Mastercard User Agreements

<https://www.visaonline.com/support/legal/en-us>

<https://www.mastercard.com/us/en/terms-of-use.html>

Webador Terms of Use

<https://www.webador.com/terms-and-conditions>

WARRANTY

6-Month Limited Workmanship Warranty

Effective Date: Upon project completion. All Contract Types Are Covered By This Warranty> Duration: 6 months

1. Coverage This Limited Workmanship Warranty covers defects in workmanship performed by the Contractor. If any part of the completed work fails due to faulty workmanship within six (6) months from the date of project completion, the Contractor will repair or replace the affected area at no additional cost to the Client.

2. Exclusions This warranty does *not* cover:

- Damage caused by normal wear and tear
- Damage resulting from misuse, neglect, or lack of proper maintenance
- Damage caused by alterations or repairs performed by anyone other than the Contractor
- Damage caused by weather events, natural disasters, or other “Acts of God” (including but not limited to storms, flooding, fire, wind, or earthquakes)
- Damage caused by materials or products that fail due to manufacturer defects (manufacturer warranties apply)

3. Materials This warranty applies only to workmanship. Materials, fixtures, and products used in the project are covered solely by their respective manufacturer warranties, if applicable.

4. Client Responsibilities The Client must notify the Contractor in writing of any warranty claim within the 6-month period. The Contractor must be given reasonable access to inspect and correct the issue.

5. Limitations The Contractor’s liability under this warranty is limited to the repair or replacement of the defective workmanship. No other warranties, expressed or implied, are provided. The Contractor is not responsible for incidental or consequential damages.

6. Contractor-Caused Damage Waiver

If Nallys Neighborhood Repairs unintentionally causes damage to the Client’s property during the course of work, and the damage is not covered by the Client’s insurance, Nallys Neighborhood Repairs will pay for the repair or replacement of the damaged area in full.

- This waiver applies only to unintentional damage.
- This waiver does not apply to any items left in a demolition area, as stated in the Demo Terms & Conditions.
- Payment for such damage will be made within six (6) months from the date the damage occurred.
- Once the damage has been fully paid for or repaired, a new 6-month workmanship warranty will begin for the repaired or replaced area.
- This waiver does not extend or restart the warranty for unrelated areas of the project.

UNDERSTANDING JOB ROLES & RESPONSIBILITIES

- **Project owner or client (YOU):** The individual, company, developer, or government entity that initiates the construction project and is responsible for payment throughout and upon completion. Owners define the project's scope, set their budget, and secure funding commonly through their insurance provider or extended warranty provider. Their financial priority is to keep the project within their budget while meeting the specified expectations that suit their needs.
- **General contractor (US):** The general contractor (GC) oversees all project activities on behalf of the client. This includes hiring and managing subcontractors, procuring materials, and ensuring that the project meets its specifications and stays on schedule. The GC's financial priority is to earn a profit, which hinges on effective cost management. The GC also seeks to secure full and timely payments from the owner, including additional compensation for approved change orders.
- **Subcontractors:** The GC hires subcontractors to perform specialized labor, such as electrical, plumbing, or HVAC work. Their primary concern is timely payment for completed work, which often flows through the GC. Their profit margins depend on finishing their part of the project on time and within budget while managing labor, equipment, and material costs. Subcontractors also aim to avoid penalties or claims related to defects in their work.
- **Suppliers and vendors:** Suppliers and vendors provide the materials, equipment, and products needed for construction, such as concrete, steel, plumbing fixtures, or electrical components. Their primary financial priorities are receiving full and timely payment for the goods they've provided, earning a profit, and maintaining healthy cash flow. Costs often vary month to month, year to year based on high and low demand.
- **Architects and design engineers:** Architects and design engineers shape the project's creative and technical vision, and they develop detailed plans and specifications. They typically oversee the design's implementation during construction. Their financial priorities include being paid for their design work and for any additional services, such as revisions or site visits. They also want to protect themselves from liability for design defects. This includes verifying that their design integrity is maintained; if it isn't, it can hurt their reputation and future business.
- **Legal and financial advisers:** These professionals help construction stakeholders navigate contracts, financial agreements, regulatory compliance, and risk management. Attorneys handle contracts, dispute resolution, and claims, while financial advisers oversee project financing and budgeting. The core financial interest of both teams is to help clients minimize legal and financial risks, such as contract disputes, cost overruns, or nonpayment. They also make sure the project meets regulatory and contract requirements.
- **Banks and financial institutions:** These entities assess a construction project's financial viability. If the project is deemed viable, they finance it, typically through loans to the owner, developer, or contractor. Banks may also issue performance bonds or surety bonds, which guarantee fulfillment of the contractors' obligations or compensate the owner if they fail to do so. These stakeholders' primary goal is to make sure the loan is repaid, which involves minimizing risks, such as cost overruns, project delays, contractor insolvency, or other factors that could hinder the project's ability to generate revenue. To protect their investment, they often set strict guidelines for fund disbursement and require regular progress updates.
- **Government and regulatory authorities:** Responsible for verifying that construction projects comply with building codes, environmental regulations, and other laws, these parties issue permits and conduct inspections. Depending on the project's scope, local, state, and federal authorities may be involved. For example, building an airport runway could require input from all three levels. Regulatory authorities collect fees for permits and inspections and may impose fines or penalties for noncompliance. For public projects, they also monitor efficient use of public funds.