

Want to Fire Your Contractor?

Statement

Nothing in this letter is intended as a substitute for appropriate legal advice. This is intended only as a guideline, and depending upon your situation, you are encouraged to consult with an attorney.

Homeowner Information Handout

Firing a contractor is a serious decision. In California, you have the right to end a construction contract, but you must follow proper steps to protect yourself legally and financially. The process below explains what to do, what to document, and how to communicate a lawful termination.

Review Your Contract First

Before taking any action, read your written contract carefully. Look for:

Termination clause – Some contracts describe when either party may cancel.

Notice requirements – Many agreements require written notice and a chance to cure defects.

Payment terms – Understand what amounts are owed for completed work.

Change order rules – Conflicts often arise from unauthorized changes; verify what the contract says.

If there is no written contract, California law still gives you rights, but documentation becomes even more important.

Document All Problems

Write down and gather evidence of the issues leading to termination:

- Missed deadlines or abandonment
- Poor workmanship
- Code violations
- Unapproved or inflated charges
- Failure to obtain permits
- Unsafe work practices

Breach of contract terms Include photos, emails, texts, inspection reports, or invoices. Good documentation protects you if there is a dispute later.

Provide a Written Notice to Cure (If Applicable)

Unless the contractor's actions are severe (fraud, abandonment, dangerous work), it is often wise (and sometimes contractually required) to give the contractor a chance to correct the issue.

A "Notice to Cure" typically includes:

- A clear description of the problems
- What needs to be fixed
- A deadline to correct the issues (commonly 3–10 days)

This shows you acted reasonably if the matter escalates.

Send a Formal Written Termination Notice

If the contractor fails to cure the problem or if the situation is serious enough to justify immediate termination. Provide a written Notice of Contract Termination. Your notice should:

- State that you are terminating the contract
- Provide the reason(s)
- List the termination date
- Request return of unused materials (if any)
- Request final accounting of work performed and payments owed
- Direct the contractor to remove personal tools/equipment by a specific date
- Be sent by a track-able method (certified mail or email with confirmation)

Keep a copy for your records!!!

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Pay Only for Work Properly Completed

Under California law, you are required to pay only for:

- Work actually performed
- Work that meets code
- Materials that are delivered to the site and incorporated into the project

You do not owe payment for:

- Incomplete or defective work
- Work not authorized by a written change order
- Work performed after termination
- Abandoned or partially finished stages of construction without value

If unsure, consider obtaining an independent inspection.

Secure the Job site after termination:

- Change locks/gate codes if the contractor had access
- Secure materials and tools that belong to you
- Photograph the job-site condition immediately
- Prevent unauthorized re-entry (contractors who are terminated must obtain permission to return)

Hire a New Contractor

Before restarting the project:

- Review the previous contractor's work for safety and compliance
- Obtain a written estimate from a new licensed contractor
- Provide the new contractor with documentation so they understand what work remains
- Make sure all permits are updated if needed

Be Aware of Possible Contractor Claims

A contractor who disagrees with the termination may

- File a claim for additional payment
- Record a mechanic's lien
- Dispute workmanship complaints

To protect yourself:

- Keep detailed records
- Respond to liens promptly
- Seek legal or CSLB assistance if a dispute arises

When to Contact the California Contractors State License Board (CSLB)

The CSLB can help with

- Complaints about workmanship
- Contract violations
- Abandonment of a project
- Failure to obtain required permits
- Unlicensed activity

They may offer mediation and investigation services at no cost to you

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Sample Termination Letter Language

Subject: Notice of Contract Termination

Dear [Contractor Name],

This letter serves as formal written notice that I am terminating our construction agreement dated [date], effective [termination date].

The reasons for termination include:

– [List specific issues such as delays, defective work, abandonment, unauthorized charges, safety concerns, etc.]

Please provide a final, itemized invoice showing work completed to date and any materials purchased for the project. Only approved and properly completed work will be considered for final payment.

Please remove your tools and equipment from the property by [date and time].

All further access to the property must be requested in writing and approved in advance.

Sincerely,

[Homeowner Name]

[Address]

[Email & Phone]

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