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The Dotted Line: 4 reasons why construction companies should let an attorney review contracts, ConstructionDive, ft. Andrew Richards

Andrew Richards,, Co-Managing Partner at Kaufman Dolowich & Voluck, LLP in Long Island, was quoted in an article written by Kim Slowey for Construction DIVE as part of The Dotted Line series, (December 12, 2017) -

Construction contracts greatly determine how a project is going to play out, whether the agreements are between owners and general contractors or subcontractors and general contractors. They can be fair, one-sided or even downright oppressive, depending on the terms. And once it is signed, that's it, which is why it's important to have an attorney look over it prior to final execution.

There are a number of reasons why seeking a legal review of a construction contract is a good idea, so why do some contractors skip this important step?

Whether a construction firm consults a lawyer can have to do with the level of comfort the parties to the contract have with each other, said Andrew Richards, co-managing partner at Kaufman, Dolowich & Voluck. For example, many general contractors use the same subcontractors over and over, and the subcontractors don't want to ruin a good relationship.

"The subcontractors won't bite the hands that feed them," Richards said. However, he added that things change when the job is big — both in dollar amount and scope — and there is more at stake. In those circumstances, he noted, contractors are more willing to negotiate the terms and seek out legal advice.

But contractors should consider using an attorney to review their contracts on any size job, according to attorneys interviewed by Construction Dive. Here are the main reasons why. . .

4. Courts want accurate, written agreements. "The days of the handshake deal are dead," Richards said. "Courts care what the contract says." A subcontractor, for example, could be doing extra work at the verbal request of the contractor, but the contract might require written authorization for all change orders — before the work begins. Richards said if the matter ends up in court, the subcontractor will likely hear from the judge, "What does the contract say?'"

A thorough review by an attorney, he said, leaves nothing to interpretation.

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