

SUPREME COURT OF THE STATE OF NEW YORK, APPELLATE DIVISION,
FOURTH JUDICIAL DEPARTMENT

Amber Well Drilling, LLC v. Reed

2026 NY Slip Op 02539 (App. Div. 4th Dep't 2026) · No. CA 24-01399 · Decided April 24, 2026

SUMMARY

The Appellate Division, Fourth Department, affirmed a judgment awarding Amber Well Drilling, LLC damages on a quantum meruit theory for completed home-improvement work. The court held that the contractor could not enforce a contract that failed to comply with General Business Law § 771, including its provisions for contractual interest and attorneys’ fees. The court also declined to consider an unpreserved argument seeking full enforcement of the contract.

CASE DETAILS

COURT	Supreme Court of the State of New York, Appellate Division, Fourth Judicial Department
WRITING FOR THE COURT	Curran, J.P.; Montour, J.; Smith, J.; Ogden, J.; DelConte, J.
JURISDICTION	Supreme Court of the State of New York, Appellate Division, Fourth Judicial Department
DECIDED	April 24, 2026
DOCKET	CA 24-01399
DISPOSITION	affirmed
PROCEDURAL POSTURE	Plaintiff appealed from a final judgment of the Supreme Court, Herkimer County, awarding it damages on a quantum meruit theory but denying contractual interest and attorney's fees. The appeal also brought up for review the prior order denying plaintiff's posttrial motion for contractual interest and attorney's fees.
STANDARD OF REVIEW	The court reviewed the final judgment and the prior order brought up for review under CPLR 5501(a)(1), and reviewed preservation of plaintiff's appellate arguments under New York's issue-preservation rule.
PRECEDENTIAL VALUE	Published intermediate appellate decision; binding precedent within the Fourth Department unless overruled or modified by a higher court.
PARTIES	Amber Well Drilling, LLC v. Timothy A. Reed, Jennifer M. Reed

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PRACTICE AREAS

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QUESTIONS PRESENTED

1. Whether a contractor may enforce a home-improvement contract through a breach-of-contract claim, including contractual interest and attorney's fees, when the contract does not strictly comply with General Business Law § 771.
2. Whether the contractual interest and attorney's-fee provision may be severed from an otherwise unenforceable home-improvement contract and enforced against the homeowner.
3. Whether plaintiff's unpreserved argument for full enforcement of the contract should be considered under an exception to New York's preservation rule.

HOLDINGS

1. A contractor may not recover against a homeowner based on breach of a home-improvement contract that fails to comply with General Business Law § 771, although the contractor may recover for completed work under principles of quantum meruit.
2. A contractual provision for interest and attorney's fees cannot be severed from and enforced under an otherwise unenforceable home-improvement contract that fails to comply with General Business Law § 771.
3. The court declined to consider plaintiff's argument that the contract should be fully enforced because plaintiff failed to raise that specific argument in the trial court, and the narrow exception for unpreserved pure legal issues did not apply.

KEY QUOTATIONS

*“the failure ‘to enter into a signed written home improvement contract in conformity with General Business Law § 771 bars recovery [by the contractor] based upon breach of contract’” (*1)*

*“A contractor cannot enforce a contract that fails to comply with General Business Law § 771” (*2)*

*“To allow a contractor to draft a noncompliant contract and yet still recover attorneys' fees and interest at the contractor's chosen rate as provided in the contract would only incentivize contractors to disregard the statute, thereby thwarting the intent of the statute” (*2)*

FACTUAL BACKGROUND

Amber Well Drilling, LLC provided well drilling and water supply system services to residential property owners Timothy and Jennifer Reed. The parties' written home-improvement contract omitted multiple requirements of General Business Law § 771, including the contractor's license number, timing information, a

description of the work and materials, and required notices. The jury nevertheless found for Amber Well Drilling on a quantum meruit theory for completed work.

PROCEDURAL HISTORY

Amber Well Drilling sued residential property owners Timothy and Jennifer Reed for breach of a written home-improvement contract and sought the unpaid balance, interest, and attorney's fees. At trial, the Supreme Court ruled that the contract was unenforceable under General Business Law § 771 but instructed the jury that plaintiff could recover for completed work in quantum meruit; the jury returned a verdict for plaintiff on that theory. The trial court entered judgment for damages, statutory costs and disbursements, and prejudgment interest at a rate lower than the contractual rate, but denied contractual interest and attorney's fees. The Appellate Division affirmed.

DISPOSITION

affirmed

CASES CITED

- *Nosegbe v. Charles*, 227 A.D.3d 1400, 1404 (4th Dep't 2024)
- *Edgett v. North Fork Bank*, 72 A.D.3d 1635, 1635 (4th Dep't 2010)
- *White Knight Constr. Contrs., LLC v. Haugh*, 216 A.D.3d 1345, 1347 (3d Dep't 2023)
- *Weiss v. Zellar Homes, Ltd.*, 169 A.D.3d 1491, 1492-1493 (4th Dep't 2019)
- *Frank v. Feiss*, 266 A.D.2d 825, 826 (4th Dep't 1999)
- *Grey's Woodworks, Inc. v. Witte*, 173 A.D.3d 1322, 1323 (3d Dep't 2019)
- *Schott v. Lucatelli*, 239 A.D.3d 1125, 1126 (3d Dep't 2025)
- *LaPenna Contr., Ltd. v. Mullen*, 187 A.D.3d 1451, 1452-1453 (3d Dep't 2020)
- *Big C Contr. Corp. v. Fishman*, 237 A.D.3d 1022, 1024 (2d Dep't 2025)
- *Wowaka & Sons v. Pardell*, 242 A.D.2d 1, 6 (2d Dep't 1998)
- *Home Constr. Corp. v. Beaury*, 149 A.D.3d 699, 702 (2d Dep't 2017)
- *Chapman v. Davis*, 75 Misc. 3d 360, 368 (Pleasant Valley Just. Ct. 2022)
- *Harter v. Krause*, 250 A.D.2d 984, 986-987 (3d Dep't 1998)
- *Sabine v. State of New York*, 43 N.Y.3d 1015, 1016-1018 (2024)
- *Bingham v. New York City Tr. Auth.*, 99 N.Y.2d 355, 359 (2003)
- *J.B. Sterling Co. v. Verhelle*, 397 F. Supp. 3d 286, 296 (W.D.N.Y. 2019), reconsideration denied, 470 F. Supp. 3d 298 (W.D.N.Y. 2020)
- *Sage Sys., Inc. v. Liss*, 39 N.Y.3d 27, 30-31 (2022)
- *NML Capital v. Republic of Argentina*, 17 N.Y.3d 250, 258 (2011)