

General Conditions:

1. **Codes and Standards:** All construction will be in accordance with the latest edition of the Uniform Building Code and all construction standards as required by the city in which the work is being performed. Working days are defined in the contract as Monday through Friday, excluding inclement weather days.
2. **Scope of Work:** The work to be performed for this project is defined by the plans and specifications as provided to the contractor by the owner. The project price is the total cost to construct the work defined by the owners plans and specifications or in the event no plans and specifications exist, then it is defined by the budgeted amount agreed to by both parties for specific tasks or facets of construction. Changes requested by the owner or owner's representative from specified or budgeted amounts will be viewed as extra work.
3. **Exceptions:** Damaged, deteriorated and hidden materials which are disclosed during work progression and not specifically mentioned in this contract or shown on drawings, will be at the discretion of the owner, replaced and charged at labor plus material costs and will be in addition to the contract price. Should the owner decide not to replace or repair deteriorated material, the contractor will obtain from the owner a signed document exonerating the contractor from future perils from failure or further deterioration of the materials.
4. **Extra Work:** Changes which arise during construction and are not a part of the original scope of plans and specifications will be considered extra work and will be back charged to the owner accordingly. Changes to the scope of work during construction will be based on a negotiated price and initiated with an approved change order. Any extra work agreed upon will also add to the days needed to complete. In addition, changes that are a direct pass through from subs will be charged a 15% handling fee. Some damage may occur to the interior dry wall, plumbing and sewer lines during leveling. Repairs to this damage are not included in this proposal.
5. **Owner's Responsibility:** Owners will be responsible for providing contractor with all approvals and requirements in a timely manner to expedite construction. Approvals required in the absence of the owner will be made by the owner's representative or the engineer when required for structural integrity and the instatement of warranties. Additional cost required by changes resulting from such decisions regarding integrity and warranty coverage will be charged as extra work. Owners are responsible for insuring progress payments are timely.
6. **Progress Payments:** Progress payments will be made at the beginning and progress through completion. Progress payments will be made on a monthly basis, based on a percentage of completion. Timely progress payments insure prompt material delivery and labor payments. Delayed payment or refusal to pay progress payments will be cause for project abandonment, and construction will not resume until receipt of payment.
7. **Initial Payment:** Contractor will receive final payment at completion of the project. When project funding is dependent on the closing of the residence, a Commitment letter from the closing Title Company or Attorney's office must be obtained before work can be initiated.
8. **Building Materials:** General building materials will be of standard construction grade or will match existing materials. All materials proposed for use in this project will conform to the codes and standards set forth in item 1 above. All materials proposed will be of a quality commensurate with the existing structure.
9. **Work Progress:** The work will proceed and be completed in a timely manner. Work delays due to weather, strikes, Acts of God, delays in progress payments, or delays that are beyond the control of the contractor will not be assessed against the construction schedule, but will be in addition to the total working time allotted. Working days are defined as Monday through Friday.
10. **Clean Up:** The work shall include removal of all debris from the job site. All debris removed from the job site as a result of site preparation and demolition may at the contractor's discretion be owned by the contractor, and used or disposed of in accordance with construction requirements.
11. **Final Payment:** Payment is expected at completion of the project. Delays in payment will result in a service charge of 1.5% per month, or the highest rate permitted by law, until final payment is received.
12. **Guaranty Agreement:** I, the undersigned, do jointly and severally unconditionally guarantee and promise to be held liable for all indebtedness accrued under this contract. In the event of default and referral to an Attorney or a collection agency, I (we) the undersigned agree to pay reasonable costs and attorney's fees. In the event that the grantors shall file a petition for reorganization of relief under the National Bankruptcy Act, the effect of the liability of guarantors shall not be modified or diminished in any way.
13. **Compliance Agreement:** The undersigned client does hereby agree if necessary to fully cooperate and adjust any grammatical errors or omissions necessary to clarify the terms of all contracts between the parties hereto.
14. **Property Code:** This contract is subject to Chapter 27, Property Code. The provisions of that chapter may affect your right to recover damages arising from the performance of this contract. If you have a complaint concerning a construction defect arising from the performance of this contract and that defect has not been corrected through normal warranty service, you must provide notice regarding the defect to the contractor by certified mail, return receipt requested, not later than the 60th day before the date you file suit to recover damages in a court of law. This notice must refer to Chapter 27, Property Code, and must describe the construction defect. If requested by the contractor, you must provide the contractor an opportunity to inspect and cure the defect as provided by Section 27.004, Property Code.

Initials _____

Date _____

Rev.101303

Strong Texas Foundations.