

Classic Remodeling and Handyman Office: 847-651-5847 www.classicremodelingco.com <u>office@classicremodelingco.com</u> 749 Springer Dr Lombard, IL 60148

# AGREEMENT

This Agreement is based on current costs and conditions; acceptance expires 30 days from proposal date. Subject to price review thereafter. Work will be scheduled upon receipt of signed contract and deposit and completed as property and weather conditions permit where necessary. The accepting party (referred to as the Owner from here on) represents that it is either the Owner of the subject premises or authorized and knowingly permitted by the Owner of those premises, to sign this Agreement on the owner's behalf. This Agreement refers to Classic Remodeling and Handyman as the Contractor from here on.

# CONDITIONS

#### 1. TERMS

Projects with contract amounts over \$10,000 will be subject to 50% of the contract amount required upon contract acceptance, 30% due upon rough inspection -or- substantial completion, 20% balance due post final inspection.

Projects with contract amounts under \$10,000 will be subject to 50% of the contract amount required upon contract acceptance, balance due upon job completion.

Payment methods accepted: cash, check, all major credit cards. If paying with credit card a 3% Processing fee will be applied to the invoice. Processing Fee is forwarded in its entirety to the credit card processing party. See third party and in-house financing for financing options.

#### 2. CONCEALED CONDITIONS

This Agreement is based solely on observations the Contractor was able to make of the existing structure in its current condition at the time this Agreement was proposed. If additional concealed conditions are discovered once work has commenced which were not visible at the time this Agreement was compiled, Contractor will stop work and make known these concealed conditions to the Owner or responsible party. Contractor is entitled to reasonable additional compensation to cover the cost involved with those concealed conditions. Such concealed conditions may include, but are not limited to, water damage, rot, insect damage, improper building techniques, additional village requests, and any other issues or circumstances not visible or known at the time of estimate.

#### 3. LABOR AND INSURANCE

Contractor shall be entitled to subcontract all or a portion of the work provided for under this Agreement to subcontracts of its choice. Contractor's employees and subcontractors are covered by General Liability and Workman's Compensation Insurance. A Certificate of Insurance is available upon request.

#### 4. EXCLUSIONS

The Contractor is not the architect, or designer. The Contractor is not being hired to perform any of these services. To the extent that the Contractor makes any suggestions in these areas, the Owner acknowledges and agrees that Contractor's suggestions are merely options that the Owner may want to review with appropriate design professional for consideration. Contractor's suggestions are not a substitute for professional engineering, architectural, or design services, and are not to be relied on as such by Owner. Unless specifically included in the work description of the estimate, this Agreement does not include the following work: Construction cleaning (Contractor will leave site in "broom swept" condition), Correction of existing out-of-plumb or out-of-level conditions in existing structure, Correction of concealed substandard framing, removal and replacement of existing rot or insect infestation.

# 5. RESPONSIBILITY OF THE OWNER

It is the responsibility of the Owner to prepare the work area. Any valuable or delicate items should be relocated to reduce the risk of damage. Access to workspace must be provided (unless creating access is included in job scope). Any materials or products provided by the Owner must be on site by the start of the project. Owner-supplied materials are not verified by the Contractor, unless specifically listed in the scope of work. Pick up and delivery of the owner supplied materials is not included in the contract cost, unless specified otherwise; Contractor agrees to install owner supplied materials as given and replacement of such damaged or incorrect owner-supplied items provided to the Contractor will incur additional fees; Contractor reserves the right to double-charge reinstallation of any flawed, defective, damaged, incorrect or any other reasonable defect of owner-supplied materials; furniture and other content manipulation, unless specifically stated, is not a part of the contract and will incur a fee charged per hour at a standard rate; Debris hauling that is not specifically included is additional to the cost. All custom design aspects should be complete by project start. In the event there are delays in project completion due to incomplete design, additional charges may apply. For liability reasons, we ask that you remain clear of the work area while work is in progress. Appropriate PPE is required when entering work areas. Contractor will make a reasonable effort to keep worksite free of hazards. Contractor does not accept any liability for injury due to negligence of property owner or visitors. When entering a work area, Owner must follow the instructions of the Contractor. The Owner shall coordinate activities of Owner's own forces or other contractors with the work of the Contractor. If the work or presence of such persons impedes the work of the Contractor under this agreement, Contractor shall be entitled to the extension of time to complete the work and shall be entitled to recover damages for such delay and any additional expenses incurred by the Contractor. During work Contractor may use Owner's utilities and all charges shall be Owner's responsibility.

# 6. PERMITS AND PERMIT FEES

Some projects require permitting. It is the Owner's decision to proceed with or without permitting. Village code requirements and fees vary from village to village. Permit and administrative fees associated with legal requirements are additional costs to the project and are specified in the contract. If such service is chosen by the Owner, Contractor is responsible to submit documentation, get a village plan approval and complete to a pass of the approved plans. Additional village requirements that are not a part of the original approved plans are subject to change orders and additional costs. Contractor is not liable for additional costs associated with correction of work completed prior by other than Contractor. Owner may choose to submit for permits personally to save on cost, but the Contractor is not responsible for inspections or coordination. If Owner selects to not acquire permits, Contractor will not be held responsible for any potential stop work order fees issued by the village.

# 7. SCHEDULING

Upon receipt of your signed contract authorizing us to perform work on your property we will give you an approximate start date. Please keep in mind that there are some events which may alter that date, such as weather, project overruns, project cancellations and material availability. We will do our best to keep you informed if we run significantly behind schedule.

### 8. CANCELLATIONS

You may cancel this contract, without penalty or obligation, within three (3) business days from the date of acceptance. All deposits will be forfeited if cancelled after three (3) business days. If materials were purchased prior to cancellation, a percentage or all the deposit may be forfeited to cover those materials. Contractor reserves the right to cancel this agreement and collect the balance for material purchased and completed work and any other loss sustained by contractor, at any time in the event of changing job conditions, inability to receive payment as outlined in this agreement, or significant delays in project completion out of our control.

## 9. FAILURE TO PAY

Interest in the amount of 5% per month or \$35 (whichever is greater) will be charged on all late payments under this Agreement. "Late Payments" are defined as **any payments not received within 5 days of completing the work by Contractor to Owner.** In addition to interest on past due payments, Contractor shall be entitled to recover the sum of \$35 for any check tendered to Contractor by Owner that is returned NSF. No warranty will be issued to the Owner until full payment has been received by the Contractor. Contractor shall be entitled to payment. Owner agrees not to send payments marked "paid in full", "without recourse", or similar language. If Owner sends such a payment, Contractor may accept it without loosing any of Contractor's rights under this Agreement and Owner will remain obligated to pay all amounts owed to Contractor.

### 10. CHANGE ORDERS

Most of the projects offered by the Contactor are bids, which are flat priced projects with the exact description of the work provided in the official proposal. Any alteration or deviation from the initial scope of work involving extra costs of materials or labor (including any overage on allowance work) will be executed upon a written change order issued by the Contractor and shall be signed by the Owner prior to the commencement of any additional work. This change order will become an extra charge over and above the contract price provided in the estimate. **All additions, changes, or modifications not included in the initial scope must be paid up at the end of each week.** Project will cease until change order is authorized by Owner's written acceptance. Contractor reserves the right to stop work if payment is not received in a timely manner or to cancel the project and collect reasonable fees for the completed work if Owner decides to change original scope of work or doesn't accept new required changes which disables the Contractor to proceed with the work.

# 11. TIME & MATERIALS PROJECTS (T & M)

Some proposals and Change Orders are based on estimated time and estimated material costs. In such cases, your proposal will state that the scope of work is priced per hour, plus materials. In such instances, the final invoice cost will be calculated at the completion of the project and is based on the actual time spent and actual materials purchased for that task. Material cost varies from project to project. Materials have a 20% markup, which is an industry standard. Our current labor hour pricing is \$85/hr. per man hour. For small projects of 3 hours or less: first hour is \$125 per man hour after which regular pricing kicks in. If a store/material run is necessary for such a project, the Contractor will be on the clock doing such a run for the Owner. Property owners are given an option to do store runs and pick up materials themselves if they wish to. The Contractor will be billing for any wait times during the visit.

### 12. THIRD PARTY AND IN-HOUSE FINANCING.

Third party and in-house financial help is currently available. Promotion offers vary. Administrative fees are additional and will be added as a line item to the contract.

### 13. WARRANITY

No warranty is provided by Contractor on any materials furnished by the Owner for installation. No warranty is provided on any existing materials that are moved and/or reinstalled by the Contractor within the property (including any warranty that existing/used materials will not be damaged during the removal and reinstall process). All warranties are void if Owner/Owner's agent fails to make all payments required to be made to the Contractor timely and in full. The Contractor may at its sole option choose to reinstate a void/cancelled warranty when all payments/fees are paid in full, including a reinstatement fee and the cost of any needed repairs, maintenance, or inspection.

This standard limited one year warranty applies and is limited to the following:

- i. To the property only as long as it remains in the possession of the original owner named above.
- ii. To the construction of work that has not been subject to accident, misuse, or abuse.
- iii. The construction work that has not been modified, altered, defaced and/or had repair made or attempted by others.
- iv. That the contractor be immediately notified within 10 days in writing of first knowledge of defects by owner or his/her agents.
- v. The contractor shall be given the first opportunity to make any repairs, replacements and/or corrections to the defective construction at no cost to the owner within a reasonable period of time.
- vi. Under no circumstances shall the contractor be viable of virtue of this warranty or otherwise for damage for any person or property whatsoever for any special indirect or direct causes.
- vii. Items only included in the invoices provided are warrantied. Items provided by other contractors are not covered in this limited warranty.
- viii. Return visits are limited at the discretion of the Contractor.

In addition, any warranty given to the Owner under this agreement does not include abatement, removal or cleaning of mold that may be found on premises in the future.

### 14. PHOTOS AND PROMOTIONAL ACTIVITY

The Contractor reserves the right to use any photograph or video taken at any jobsite, without the expressed written permission of those included within the photograph or video. The Contractor may use the photograph or video in publications or other digital or paper media material produced, used, or contracted by the Contractor including but not limited to brochures, yard signage, emails, newspapers, magazines, television, websites, other promotions, etc. To ensure the privacy of individuals and property, images will not be identified using full names, personal identifying information, or full addresses without written approval from the photographed subject. Anyone engaging in service with the Contractor who does not wish to have their image recorded for distribution shall express in writing their desire to "opt out". Correspondence shall be mailed to Classic Remodeling and Handyman located at 749 Springer Dr., Lombard, IL 60148 or emailed to office@classicremodelingco.com

By engaging in this contract and not specifying (in writing), you are agreeing to release, defend, hold harmless and indemnify the Contractor from any and all claims involving the use of your picture or likeness. Any person or organization not affiliated with the Contractor may not use, copy, alter or modify the Contractor's photographs, graphics, videography or other, similar reproductions or recordings without the advance written permission of an authorized officer of the Contractor.

### 15. ADDITIONAL

If any part of this Agreement is held invalid, illegal, or unenforceable in any respect, the validity, legality and enforceability of the remainder of the Agreement shall be construed as if such part were never included herein and shall in no way be affected or impaired thereby. The terms of this Agreement are subject to change without notice.