

PROPOSAL AND CONTRACT

Date: _____

OWNER: _____

CONTACT PERSON: _____

WORK SITE ADDRESS: _____

CITY: _____ STATE: _____ ZIP: _____

MAILING ADDRESS: _____

CITY: _____ STATE: _____ ZIP: _____

RES. PHONE: _____ OFFICE: _____

C&K Construction and Remodeling LLC proposes to furnish all materials and perform all necessary labor to complete the following:

The above work will be completed in a workmanlike manner according to the standards of the painting or construction industry for the sum of:

_____ Dollars (\$ _____)

Payment Terms: _____

_____ Note: Final payment is due upon substantial completion. If payments are agreed, the Contractor according to the above terms will bill Owner. Owner agrees to pay each billing within five (5) days. Any final payment is due in full upon substantial completion. All overdue accounts will carry interest at the rate of 1.5% per month or 18% per annum.

TIME OF PERFORMANCE: Contractor shall begin after the Owner completes the following conditions, and or time agreed by the Owner and Contractor:

The Owner agrees to diligently perform the above conditions. Should the Owner fail to complete the above conditions, the Contractor is excused from further performance, and shall be reimbursed for all costs incurred by Contractor to date plus anticipated profits for the project. Contractor is to complete the project within approximately _____ working days. Working days do not include weekends or holidays, even if Contractor chooses to work on such days. Contractor may extend the completion date for any delay caused beyond the control of the Contractor. The "EXCUSABLE DELAY" section of this agreement describes what delays are excusable and the procedures for notifying the Owner of such delays.

PAYMENT OF COMPENSATION. Payments shall be made in the manner set forth in Page 1 of this Agreement. The progress payments shall be made by Owner to Contractor within eight days of requests by Contractor; the requests shall be accompanied by reasonable information as required by Owner's lender from Contractor and such other information as Owner has specified herein. Owner represents to Contractor that Owner has obtained a loan to pay for the construction of the Project and/or that Owner has sufficient funds from other sources to pay for the construction of the Project as provided for herein.

MODIFICATION AND ADDITIONAL WORK ORDERS: All modifications or additions which may affect the price, specifications, time of performance, payment or any other terms of this agreement shall be effective only when executed in writing and signed by both parties. Contractor will be entitled to an equitable change order for any increased costs, labor, materials, and equipment associated with any unknown or concealed site conditions. A modified or additional work order shall set forth the details of the modified or additional work ordered, including the price of the work ordered and number of days to completion date. Payment for all changes to be made is due according to agreement or when substantially completed. However, the Contractor shall not be deemed to have waived his right to compensation for extra work if the extra work was not provided for in writing, but shall be paid the reasonable value for such work performed.

SPECIAL CONDITIONS

ACCESS TO WORK SITE: Contractor shall have access to work site seven days a week, from 7:00am to 9:00pm until the project is completed. The Owner shall not schedule other contractors to work at the work site without written approval from the Contractor. Contractor shall not unreasonably withhold such approval. Any denial of access shall extend the completion date of this agreement. In case of such denial the Contractor shall be compensated \$480.00 per day of access denial. This compensation is a reasonable forecast of the damages the Contractor would incur, due to demobilization of work crews and suppliers on the job site.

OWNER TO PURCHASE COURSE OF CONSTRUCTION INSURANCE: Owner agrees to purchase "Course of Construction" insurance. Owner(s) shall purchase and maintain, in a company or companies lawfully authorized to do business in the jurisdiction in which the Project is located, a standard form homeowner's fire, property insurance or equivalent policy form. Such property insurance shall be maintained until final payment has been made to the Contractor. Owner(s) shall provide to Contractor proof of insurance prior to the commencement of work. This property insurance shall include, without limitation, insurance against fire and physical loss or damage from events, including theft, vandalism, malicious mischief, collapse, earthquake, flood, windstorm and materials stored at the work site. Such insurance shall be equal to the total price of the project. Such insurance shall be payable to any mortgages or beneficiary, under any deed of trust. Such insurance shall be written to protect the

Owner, Contractor and any first lien holder. Should the Owner fail to purchase such insurance, the Contractor may procure such insurance, as agent for Owner, but is not required to do so. If Contractor procures such insurance, then the Owner shall reimburse the Contractor upon request.

OWNERS RELATIONSHIP TO SUB-CONTRACTORS: Owners understand that the Contractor on contract employs the sub-contractors on this job. The sub-contractors do not have the authority to act as an agent for the Contractor. Owner agrees not to attempt to negotiate directly with sub-contractors for modifications or additions to this agreement. Owner also agrees not to enter into “side deals” with the Contractor’s, sub-contractors throughout the performance of this project.

INFORMATION NOTICES TO OWNERS: I acknowledge that C&K Construction and Remodeling llc provided the following. “Information Notice to Owner about Construction Liens, Notice of Procedure and Consumer Protection Notice,” at the signing of this agreement, as required pursuant to ORS 87.093, ORS 701.330 (2) and 701.330 (1). Owner’s initials:_____.

GENERAL CONDITIONS

UNKNOWN OR CONCEALED SITE CONDITIONS: Should unknown or concealed site conditions (such as: concealed conditions below the surface of the ground; concealed or unknown conditions in an existing structure; unknown physical conditions below the surface of the ground; unknown conditions in existing structure of an unusual nature) be encountered before or during the performance of the work that are at variance with the conditions indicated by the contract documents, or differ materially from those generally recognized as inherent in the type of work being provided in this agreement. The contract price shall be equitably adjusted by change order upon claim made by either party in writing within 3 days after the first observance of the unknown or concealed conditions.

See “MODIFICATIONS AND ADDITIONAL WORK ORDERS” for procedures should “UNKNOWN OR CONCEALED SITE CONDITIONS” be encountered before or during the performance of this agreement.

EXCUSABLE DELAYS: The Contractor shall not be responsible for delays beyond it’s control, including, but not limited to the following: modified or additional work ordered by the Owner; act or neglect of an architect or another, contractor; fire, flood; wind, adverse weather conditions not suitable for performance of construction activities, delays in material deliveries, or any other delay beyond the control of the Contractor. The Contractor agrees to notify the Owner in writing within 5 days after the Contractor knows of the excusable delay. This notice shall include a reasonable time extension of the final completion date, and any increase in costs of materials, labor, or any other cost increase caused by any delay beyond the control of the Contractor.

CONTRACTOR’S ADDITIONAL DUTIES:

Contractor shall be responsible for all construction under this agreement. Contractor shall supervise and coordinate the work of all sub-contractors.

Contractor shall comply with all laws, ordinances, rules, regulations or orders relating to the performance of the work described in this agreement.

Contractor shall provide all workers’ compensation insurance and general liability insurance (this does not include “Course of Construction” insurance) necessary for the protection of Owner and Contractor during the progress of the improvements.

Upon completion of the project the Contractor shall remove all waste materials and rubbish from the work site and conduct general clean-up of the work site, including the cleaning of all glass surfaces, walks, steps, interior floors, interior walls, and ceilings as dictated by the type of work performed.

OWNER'S ADDITIONAL DUTIES:

Owner is responsible for the location of all property lines and shall identify all property lines for the Contractor. If any doubt regarding property lines exists, then the Owner shall order and pay for a survey to identify all property lines, if the Owner wrongly identifies the location of the property lines, any changes required of the Contractor shall be at the Owner's expense.

Owner agrees to install and/or connect utilities and make other improvements at Owner's expense, in addition to work covered by this agreement, that may be required by any first lien holder and/or public authority prior to completion of Contractor's contractual duties.

INDEMNIFICATION CLAUSES: Owner shall defend, indemnify, and hold harmless the Contractor, and its subcontractors, from and against any and all claims, demand, causes of action, damages, liabilities, losses, and expenses arising from the project and/or the contract to the extent caused by the fault of Owner or its consultants, design professionals, or agents.

Contractor shall defend, indemnify, and hold harmless the Owner, but not any engineering or design professional, consultant, or other agent of owner, from and against all liability to and third party for bodily injury, death, or tangible property damage caused by the negligent acts or omissions of the Contractor.

EVENTS OF DEFAULT BY OWNER: Owner shall be deemed in default hereunder for the failure to timely perform any obligation contained herein, including the failure to pay to Contractor any amount due pursuant to the terms of this Agreement, unless Owner corrects any such matter within 5 business days after receiving written notice from Contractor.

REMEDIES OF CONTRACTOR: In the event of a default by Owner, Contractor shall have the right to stop work on the Project (in that event, the estimated completion date shall be extended until the default is cured) as well as all other rights and remedies available under applicable law.

ARBITRATION OF DISPUTES: Any dispute or controversy arising out of the terms, conditions or requirements of this agreement shall be submitted to arbitration in accordance with the Arbitration Service of Portland, Inc., and shall be binding upon the parties. Any judgment rendered by the arbitrator shall be entered into any court of competent jurisdiction.

ATTORNEY FEES: The prevailing party in any suit or action or arbitration or administrative proceeding brought under the terms of this agreement to enforce or interpret any provision herein, shall be awarded attorneys fees and costs as may be adjudged reasonable by the arbitration panel, administrative authority, court, or appellate court.

WARRANTY: The Contractor warrants that all materials and labor supplied by the Contractor will be installed or applied in a workman like manner according to industry standards. Such labor and materials as outlined in this agreement are guaranteed for a period of one (1) year from the date of substantial completion of the project. This warranty is valid only when the property or its improvements are subject to normal use and care by the Owner and provided the Owner has fully complied with all the terms and payment provisions of this agreement. The Contractor reserves the right to repair, replace, or pay reasonable sum in order to affect any mutually acknowledged repairs or corrections both during the construction process and throughout the warranty period. Contractor will not warrantee any materials that the client purchased and had contractor install.

FINAL AND COMPLETE AGREEMENT: This agreement, once signed by both parties to be bound by its terms, is the final and complete agreement between the parties. There are no representations, oral or otherwise, guarantees, or warranties other than those expressly stated in this agreement. Any deviation from the express terms of this agreement must be agreed upon in writing, See: “MODIFICATIONS AND ADDITIONAL WORK ORDERS” section of this agreement.

OWNER’S SIGNATURE _____

DATE _____

CONTRACTOR’S SIGNATURE _____

DATE _____