

Provisions

Unless otherwise specified herein, the following provisions are expressly incorporated into Improvement Contract

1. **CONTRACT, PLANS, SPECIFICATIONS, PERMITS AND FEES.** The work described in this contract shall be done according to the plans and the plan specifications (if any) except in the case of conflict when the provisions of this contract shall have control over both the plans and the plan specifications. All required building permits will be paid for by owner and obtained by Contractor. All other charges, taxes, assessments, fees etc., of any kind whatsoever, required by any government body, telephone or utility company or the like shall be paid for by Owner.
2. **PROPERTY LINES.** Owner is responsible to locate and inform Contractor of the location of all property lines. At the discretion and direction of Contractor, Owner may be required to provide at Owner's expense, a licensed surveyor's map of the property showing the property lines.
3. **INSTALLATION / SUBCONTRACTORS.** Contractor has the right to subcontract any part of, or all of, the work herein. NOTE: Any subcontractors hired by homeowner are the sole responsibility of the Owner. Contractor will be responsible for any subcontractors hired directly by Contractor only. NOTE: Contractor reserves the right to automatically charge a 30% fee for any/all materials needed to perform the work and/or to oversee any/all Subcontractors; this fee will be above the original contract cost unless otherwise stated in original contract written by contractor.
4. **NOTE ABOUT EXTRA WORK AND CHANGE ORDERS.** Should Owner, construction lender, or any government body or inspector require any modification to the work covered under this contract, any cost incurred by Contractor shall be added to the contract price as extra work and Owner agrees to pay Contractor his normal selling price for such extra work. All extra work as well as any other modifications to the original contract shall be specified and approved by both parties in a written change order. All orders shall become a part of this contract and shall be incorporated herein. Extra Work and Change Orders become part of the contract once the order is prepared in writing and signed by the parties prior to the commencement of any work covered by the new change order. The order must describe the scope of the extra work or change, the cost to be added or subtracted from the contract, and the effect the order will have on the schedule of progress payments.
5. **CHANGE ORDERS.** Should Owner, construction lender, or any government body or inspector require any modification to the work covered under this contract, any cost incurred by Contractor shall be added to the contract price as extra work and Owner agrees to pay Contractor his normal selling price for such extra work. All extra work as well as any other modifications to the original contract shall be specified and approved by both parties in a written change order. All change orders shall become a part of this contract and shall be incorporated herein.
6. **INFORMATION ABOUT THE PERFORMANCE OF EXTRA WORK OR CHANGE ORDERS.** The buyer may not require a contractor to perform extra or change-order work without providing written authorization prior to the commencement of any work covered by the new change order. Extra work or a change order is not enforceable against a buyer unless the change order also identifies all of the following in writing prior to the commencement of any work covered by the new change order: (1) The scope of work encompassed by the order, (2) The amount to be added or subtracted from the contract, (3) The effect the order will make in the progress payments or the completion date. Contractor's failure to comply with the requirements of this paragraph does not preclude the recovery of compensation for work performed based upon legal or equitable remedies designed to prevent unjust enrichment.
7. **OWNER'S RESPONSIBILITY: INSURANCE ETC.** Owner is responsible for the following: (1) To see all necessary water, electrical power, access to premises, and toilet facilities are provided on

the premises. (2) To provide a storage area on the premises for equipment & materials. (3) To relocate and protect any item that prevents Contractor from having free access to the work areas such as but not limited to TV or radio antennas, vehicles, tools, clothing, furniture, draperies, or garden equipment. If Owner fails to relocate such items, Contractor may relocate these items as needed but in no way is Contractor responsible for damage to these items during their relocation and during the performance of the work. (4) To obtain permission from the owner(s) of adjacent property(ies) that Contractor must use to gain access to work areas. Owner agrees to be responsible and to hold Contractor harmless and accept any risks resulting from the use of adjacent property(ies) by Contractor. (5) To correct any existing defects which are recognized during the course of the work. Contractor shall have no liability for correcting existing defects such as, but not limited to, dry rot, structural defects, or code violations. (6) To maintain property insurance with Fire, Course of Construction, all Physical Loss with Vandalism and Malicious Mischief clauses attached, in a sum at least equal to the contract price, prior to and during performance of this contract. If the project is destroyed or damaged by accident, disaster, calamity, theft or vandalism, work or materials supplied by Contractor in reconstructing or restoring the project shall be paid for by Owner as extra work.

8. **PERMISSIBLE DELAYS.** Contractor shall not be held responsible for any damage occasioned by delays resulting from: work done by Owner's subcontractors, extra work, acts of owner or owner's agent including failure of owner to make timely progress payments or payments for extra work, shortages of material and/or labor, bad weather, fire, strike, war, governmental regulations, or any other contingencies unforeseen by Contractor or beyond Contractor's reasonable control.
9. **SURPLUS MATERIALS AND SALVAGE.** Any surplus materials left over after this contract has been completed are the property of Contractor. No credit is due Owner on returns for any surplus materials and all salvage resulting from work under this contract is the property of Contractor.
10. **CLEANUP & ADVERTISING.** Upon completion, and after removing all debris and surplus materials, wherever possible, Contractor will leave premises in a neat, broom clean condition. Owner hereby grants to Contractor the right to display signs at the job site for the period of time starting at the date of signing of this contract and continuing uninterrupted until fourteen (14) days past the date job is completed and payment in full is made. Owner grants Contractor the right to publish the project street address on a "references" list which may be given to prospective customers.
11. **UNFORESEEN PROBLEMS: UNANTICIPATED CONDITIONS & CONCEALED DAMAGE.** Expense incurred because of unusual or unanticipated conditions shall be paid for by owner as extra work (conditions such as, but not limited to, ground conditions that require fill, or unusually hard soil, rocky soil or the presence of ground water). Contractor will inform Owner of any dry rot or other deterioration or unanticipated condition which is concealed and is discovered. Contractor is not responsible to repair any such discovered deterioration or condition and work done by Contractor to remedy such will only be done as extra work in a written change order.
12. **HAZARDOUS SUBSTANCES.** Owner understands that Contractor is not qualified as a Hazardous Material Handler or Inspector or as a Hazardous Material Abatement contractor. Should any hazardous substances as defined by the government be found to be present on the premises, it is the Owners' responsibility to arrange and pay for abatement of these substances.
13. **RIGHT TO STOP WORK AND TO WITHHOLD PAYMENT ON LABOR AND MATERIALS.** If any payment is not made to Contractor as per this contract, Contractor shall have the right to stop work and keep the job idle until all past due progress payments are received. Contractor is further excused by Owner from paying any material, equipment and/or labor suppliers or any subcontractors (hereinafter collectively called "suppliers"), during the period that Owner is in arrears in making payments to Contractor for bills received during that same period. If these same "suppliers" make demand upon Owner for payment, Owner may make such payment on behalf of Contractor and Contractor shall reimburse Owner for this amount at such time that

Owner becomes current with Contractor for all past due payments. Owner is responsible to verify the true amounts owed by Contractor to these same "suppliers", prior to making payment on behalf of Contractor. Owner shall not be entitled, under any circumstances, to collect as reimbursement from Contractor any amount greater than that exact amount actually and truly owed by Contractor to these same "suppliers", for work done or materials supplied on Owner's job.

14. **PAYMENT.** Per Sec. 7159 (c) of the California Business & Professions Code, upon satisfactory payment being made for any portion of the work performed, the contractor shall, prior to any further payment being made, furnish to the person contracting for this home improvement, a full and unconditional release from any claim or mechanic's lien pursuant to Section 3114 of the Civil Code, for that portion of the work for which payment has been made.
15. **COMMENCEMENT AND COMPLETION OF WORK:** Substantial commencement of work shall mean either the physical delivery of materials onto the premises or the performance of any labor and shall be subject to any permissible delays. Please see Provision #8 (Permissible Delays) for more information.
16. **COMPLETION.** When applicable, Owner agrees to record a Notice of Completion within five days after project completion and after the project passes final building inspection. Should owner fail to sign and record a Notice of Completion within this five day period, the owner authorizes Contractor to be Owner's agent to sign and record a Notice Of Completion on the behalf of Owner. This agency is irrevocable and Contractor is acknowledged to be a party of interest in this matter by Owner. Contractor may use any necessary force to deny occupancy of the project until Contractor has received all payments that are due Contractor under this contract, excluding any retention payment, and until recording of the Notice of Completion.
17. **COLLECTION.** Owner agrees to pay all collection fees and charges including but not limited to all legal and attorney fees that result should Owner default in payment of this contract. Overdue accounts are subject to interest charged at the rate of 10% per annum.
18. **LEGAL FEES.** In the event litigation or arbitration arises out of this contract, prevailing party(ies) are entitled to all legal, arbitration, and attorney fees.