PROJECT NAME: Hartsock

Hartsock Village Foundation Repairs

PROJECT ADDRESS: 3765 Hartsock Ln, Colorado Springs, CO 80917

### **AGREEMENT FOR CONSTRUCTION SERVICES**

(Homeowner)

This AGREEMENT FOR CONSTRUCTION SERVICES (the "Agreement") is entered into on August 18th, 2022, by and between Reconstruction Experts, Inc. ("Contractor"), whose address is 5310 Vivian St, Arvada, CO 80002, and **Hartsock Village** ("Owner"), whose billing address is c/o Z & R Property Management, 6015 Lehman Dr #205, Colorado Springs, CO 80918, with respect to the facts set forth below.

### RECITALS

- A. Contractor is in the business of providing general contracting services, and has agreed to provide such contracting services to Owner on the terms and conditions referred to herein below.
- B. Owner is the title owner of real property and improvements located at Hartsock Village (the "Property"). Owner desires to engage Contractor to provide contracting services as set forth in this Contract.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

### ARTICLE I. THE WORK

Contractor will furnish to Owner all labor, materials, services, supplies, tools, equipment and machinery required (except as may herein otherwise be provided), to do and perform within the time specified the work (the "Work"), necessary to complete the following generally described duties: foundation repairs, as more fully described in the other Contract Documents (as defined in Article III below). The Work shall be performed in accordance with the requirements of the Contract Documents.

### ARTICLE II. CONTRACT PRICE

Owner shall pay Contractor for performance of the Work, subject to additions and deductions by Change Order as provided in the Contract Documents, the Contract Price of (\$13,350.55) as described in the estimate attached hereto as Exhibit D. All payments shall be made in accordance with and subject to the provisions of Paragraph 14 of the Terms and Conditions attached hereto as Exhibit A and the Payment Schedule attached hereto as Exhibit C.

Unless otherwise stated in the Contract Documents, building and other construction permits shall be obtained by Contractor on a time-and-materials basis and added to the Contract Price with a Change Order for such amount signed by Owner and Contractor.

Allowance items, if any are noted in the Contract Documents, relate to scope that either need further specification or have unknown quantities at the time of mutual execution of the Agreement. Contingencies, if any are noted in the Contract Documents, are recommended for payment of any Owner-approved amendment or adjustment, increased costs due to errors, omissions, or inconsistencies in the plans, and/or unforeseen site conditions. An allowance will be accounted for with an add or deduct Change Order from the original item amount at the completion of the allowance item. A contingency will be accounted for with a Change Order prior to completion of the contingency item.

### ARTICLE III. CONTRACT DOCUMENTS

The "Contract," which constitutes the entire agreement between Owner and Contractor, consists of this Agreement, the Terms and Conditions attached hereto as Exhibit A, any Exhibits referenced in this Agreement or the Terms and Conditions, any documents referenced within the Exhibits, any executed Change Orders, and the plans and specifications and other documents, if any, described in Exhibit B attached hereto and incorporated herein (collectively, the "Contract Documents"). Such documents are incorporated into and form this Contract, and all are as fully a part of the Contract as if attached to this Contract or repeated herein. Unless otherwise stated in the Contract, the Contract Documents do not include any advertisements or marketing materials, invitations, instructions to bidders, sample forms, brochures or other information.

### ARTICLE IV. DEFINITIONS

As used in the Contract, the following terms shall have the meanings set forth below.

- A. <u>Change Order:</u> "Change Order" means a change to the Work processed and approved in accordance with the provisions of Section 12 of the General Conditions.
- B. <u>Contract</u>: "Contract" shall have the meaning set forth in Article III above.
- C. <u>Contract Documents:</u> The term "Contract Documents" shall refer collectively to the documents described in Article III.
- D. <u>Owner's Representative:</u> "Owner's Representative" shall be one person as determined by Owner prior to the mutual execution of this Agreement, and Owner will communicate in writing to Contractor Owner's decision of same (and which may be changed from time to time upon written notice from Owner to Contractor).
- E. <u>Payment Schedule:</u> "Payment Schedule" means the Payment Schedule attached hereto as Exhibit C and incorporated herein.
- F. <u>Project</u>: The term "Project" shall refer to the total construction to be completed as part of the Work.
- G. <u>Construction Schedule:</u> "Construction Schedule" means the schedule issued by Contractor and updated from time to time that sets forth the approximate dates when Work will begin and the approximate date when construction will be completed.
- H. <u>Substantial Commencement:</u> "Substantial Commencement" means mobilization by Contractor of material, equipment and/or labor on site.
- I. <u>Substantial Completion:</u> "Substantial Completion" means completion of the Work to the point it is ready for its intended use and purpose, exclusive of any miscellaneous, remaining pick-up, punch-list or warranty items that do not prevent Owner's intended use of the Property.

### ARTICLE V: MISCELLANEOUS

- A. Acknowledgment. Owner acknowledges that it has received from Contractor a signed original of this Agreement as of the date hereof.
- B. Counterparts. This Agreement may be executed in counterparts, each of which, taken together, shall be deemed one fully executed original.

- C. Financing and Insurance. The obtaining of a loan or insurance coverage by Owner for all or a portion of the Contract Price is not a condition precedent to this Agreement. Contractor is not providing Owner with financing or insurance coverage representation. Contractor is not in any manner assisting Owner in obtaining a loan or insurance coverage, and Contractor has not and will not refer Owner to any person who may loan or arrange for a loan for all or a portion of the Contract Price.
- D. Contract Documents Constitute Complete Agreement. The Contract represents the entire integrated agreement between the parties hereto and supersedes prior negotiations, representations or agreements, either written or oral.

IN WITNESS WHEREOF, Owner and Contractor executed this Agreement as of the date set forth.

OWNER: Hartsock Village BUDD  OR! BARBARA, TRES	CONTRACTOR: RECONSTRUCTION EXPERTS, INC.
By: Authorized Signature	By:Authorized Signature*
Name: ROBERT C. REDEK	Name:
Title: HART-SOCK HAA TREASIK	Kritle:
Date: august 18, 2022	Date:

<sup>\*</sup>If the Contract Price set forth in this Agreement is, or is anticipated to be, \$500,000.00 or more, only the following Officers are authorized to execute this Agreement on behalf of Contractor: Richard Whitten, CEO, Andrew Anderson, President, Michael Barclay, COO, or Steven Williams, CFO. A signature by any other person is not authorized by Contractor, and this Agreement may be voidable in Contractor's sole discretion.

# **EXHIBIT LIST**

Exhibit A	Terms and Conditions
Exhibit B	
Exhibit C	Payment Schedule
Exhibit D	Estimate

# EXHIBIT A TERMS AND CONDITIONS

### 1. Site Investigation.

- 1.1 Contractor shall take reasonable and customary actions to verify field conditions and shall compare such field conditions with the Contract Documents before commencing construction. Material errors, inconsistencies or omissions discovered shall be promptly reported to Owner. Notwithstanding this Section, Contractor shall not be responsible for errors or omissions in the Contract Documents that are the fault or responsibility of others.
- 1.2 Contractor has not made extensive investigations of the site prior to the execution of the Contract. Accordingly, Contractor shall not be responsible for unknown conditions that are not disclosed by the Contract Documents, including, without limitation, general and local conditions bearing on the character, quality, and quantity of surface and subsurface conditions to be encountered. Contractor is entitled to rely on the Contract Documents, together with any maps, engineering reports, diagrams, drawings and similar reference data that Owner or its representatives have made available to Contractor. If Contractor discovers any unknown conditions that adversely affect the Work, then Contractor shall notify Owner of such conditions. If these conditions affect Contractor's cost or time to perform the Work, then a Change Order accounting for these changes will be required. Said Change Order shall be created in accordance with the provisions of Section 12 of these Terms and Conditions.
- 1.3 Contractor shall show due diligence by calling in all areas for excavation to have utilities located. If utilities are missed by the locate company or are private lines and are not disclosed, damages incurred will be the responsibility of the Owners. All unforeseen utilities that will require special care (i.e. hand excavation, relocation, etc.) will be billed on a time and material basis.

### 2. Drawings and Specifications.

- 2.1 Contractor shall take reasonable and customary actions to compare the Contract Documents with each other and shall report to Owner material errors, inconsistencies or omissions discovered. However, Contractor shall not be liable to Owner for damage resulting from errors, inconsistencies or omissions in the Contract Documents unless Contractor recognizes such error, inconsistency or omission and its materiality to the Work and knowingly fails to report it to Owner. Upon receipt of notice, Owner shall promptly investigate the circumstances and give appropriate written instructions to Contractor. If Contractor performs any construction knowing it involves a recognized material error, inconsistency or omission in the Contract Documents without such notice to Owner, Contractor shall bear an appropriate share of the cost of correction thereof under the principles of comparative fault.
- 2.2 It is not Contractor's responsibility to ascertain that any plans or specifications provided to Contractor by Owner or Owner's engineer or architect are in accordance with applicable laws, statutes, ordinances, building codes and rules and regulations. However, if Contractor determines that portions of such plans or specifications are at variance therewith, Contractor shall promptly notify Owner.
- 2.3 If additional cost or time is involved because of clarifications or instructions the Owner issues in response to the Contractor's notices or requests for information pursuant to Sections 2.1 or 2.2, the parties shall execute a Change Order for time and / or Contract Price related thereto.
- 3. <u>Workmanship</u>. Contractor shall execute the Work in substantial conformance with the Contract Documents and in a sound and workmanlike manner. Contractor shall be responsible for, and Owner shall not interfere with, construction means, methods, techniques, sequences and procedures, and for supervising and coordinating the Work. In addition, Contractor shall have at the site adequate and appropriate supervision.
- **4.** <u>Separate Contracts.</u> Contractor shall not be responsible for any damages, delays or other adverse effects on the Work caused by Owner or Owner's other contractors.
- 5. <u>Subcontractors and Employees</u>. Contractor shall be responsible to Owner for acts and omissions of Contractor's employees, subcontractors and their agents and employees, and other persons or entities performing portions of the Work for, or on behalf of, Contractor or any of its subcontractors.

**Inspection and Testing.** If the Contract Documents, laws, ordinances, rules, regulations or orders of any public authority having jurisdiction require any portion of the Work to be inspected, tested or approved, Owner shall bear all costs of such inspections, tests or approvals, unless provided for otherwise in writing. Required certificates of inspection, testing or approval shall be secured by Owner, unless provided for otherwise in writing.

### 7. Permits and Rights of Way.

- 7.1 Permits. Except as otherwise provided in the Contract Documents, Owner shall bear the costs of all permits, and Contractor shall, at its sole cost and expense and without increase in the Contract Price, comply with all permits.
- 7.2 Rights of Way. If entry on or encroachment upon adjoining property or public right-of-way is necessary to perform the Work, Contractor shall obtain (and Owner shall assist Contractor if required) any necessary permissions, permits or licenses. The costs to obtain any necessary permissions, permits or licenses shall be in addition to the Contract Price, unless otherwise provided in the Contract Documents.
- **8.** <u>Time of Performance.</u> Subject to Section 9 below, Contractor agrees to perform the Work in accordance with the Construction Schedule and to keep Owner informed of the progress of the Work.
- 9. Delays and Extensions of Time. If Contractor is delayed in the progress of the Work by any act or omission of Owner or its agents or employees or any unit owner or occupant, any separate contractor employed by Owner, Owner's design professional, or by changes ordered in the Work, any delay in Owner's approval for changes in the Work, acts of God, pandemic, fire, unusual delays in transportation, adverse weather conditions, strikes or other labor disruptions, acts of public enemy, civil commotion, failure of issuance of any permits, licenses or approvals within a reasonable period of time, Owner's failure to make payment when due or other default hereunder, inability to secure materials through regular channels, imposition of government priority or allocation of materials, or any other causes, whether similar or dissimilar, beyond Contractor's reasonable control, then the time for Contractor's performance of the Work shall be extended by Change Order for such time as the Work is delayed, and, if applicable, Contractor shall be compensated for increased costs and expenses as a result of any delay beyond Contractor's reasonable control, and all general conditions items will be prorated for each day of delay.

### 10. Termination by Owner.

- 10.1 Termination for Default. If Contractor defaults or persistently fails or neglects to carry out the Work in accordance with the Contract Documents, Owner, after seven (7) days written notice to Contractor and without prejudice to any other remedy Owner may have, may make good such deficiencies and may deduct the cost thereof from the payment then or thereafter due Contractor. Owner may terminate the Contract if Contractor does not cure or commence to cure any default within seven (7) days after Owner delivers to Contractor written notice of default. Upon such termination, Owner shall pay Contractor for all Work completed through the date of termination.
- 10.2 Termination for Convenience. The Owner may, at any time, terminate the Contract for the Owner's convenience and without cause upon seven (7) days written notice to Contractor. Upon receipt of written notice, Contractor shall cease operations, take actions necessary to protect and preserve the Work, and terminate all existing subcontracts and purchase orders. Upon termination for Owner's convenience, Contractor shall be entitled to receive payment for its Work executed, and all costs incurred by reason of such termination, including overhead and profit (calculated at twenty percent (20%)) on the Work not executed as listed in Article I.
- 11. Termination or Suspension by Contractor. Should Owner fail to pay to Contractor any amount payable by Owner to Contractor when it becomes due pursuant to the Contract, fail or refuse to execute Change Orders within a reasonable time, or otherwise be in default hereunder, Contractor may, after giving seven (7) days written notice thereof to Owner in which to cure the default, terminate its services under the Contract, and/or suspend work on the Project. Contractor's right to terminate or suspend the Work shall be in addition to any and all rights and remedies Contractor may have under the Contract Documents or applicable law. If Contractor suspends the Work, in addition to any other damages, Contractor shall be entitled to all reasonable costs of demobilization and remobilization as an addition to the Contract Price. If Contractor elects to terminate the Contract due to Owner's default, then Contractor shall be entitled to receive payment for its Work executed, and all costs incurred by reason of such termination, including overhead and profit (calculated at twenty percent (20%)) on the Work not executed as listed in Article I.

In the event Contractor has a good faith basis to believe that the Owner, resident, or occupant is engaging in any illegal activity or drug use, Contractor may, in its sole discretion, suspend Work, either in whole or in part, until such time as the offending activity is remedied. Alternatively, Contractor may, in its reasonable discretion, omit that portion of the scope of Work as it deems fit to avoid contact with the illegal activity, in which case, Contractor shall be entitled to a Change Order in accordance with Section 12.2, below.

### 12. Changes in the Work.

- 12.1 Any modification, addition or omission to the scope of the Work resulting in a change in the Contract Price and/or or Construction Schedule shall be set forth in a written change order ("Change Order") signed by both Owner and Contractor, reflecting the nature of the change, any increase or decrease in the Contract Price, and any increase or decrease in the time for completion of the Work to be performed by Contractor. Contractor shall not be responsible for any work other than the Work as modified by Change Order. All terms and conditions of the Contract shall be deemed incorporated into the Change Order. Contractor and Owner shall negotiate all changes in good faith and as expeditiously as possible.
- 12.2 Should Owner request any modification resulting in a credit of any portion of the Contract Price or a Change Order price back to the Owner, only the direct costs associated with the modification will be credited. Profit and overhead (calculated as twenty percent (20%)) and general conditions will remain to be paid to the Contractor.
- 12.3 Owner or Contractor may initiate a change by issuing either a request for proposal to Contractor or a proposed Change Order. After receipt of a request from Owner, Contractor shall prepare and submit a cost proposal for the requested change. If Owner and Contractor are unable to reach an agreement as to the cost of any additional work to be reflected in a Change Order, Owner may direct Contractor, by written order, to proceed with the work involved. The price of such work shall then be determined on a time and materials basis on the basis of the expenditures and savings of those performing the work attributable to the change, including prices of materials, equipment, subcontractors and construction labor, including reasonable project management, supervision, general conditions, contingency and general liability insurance, plus overhead and profit (calculated as twenty percent (20%)), to Contractor.
- 12.4 If any governmental entity or design professional requires a modification, addition or change to the Work, Contractor shall prepare and submit a cost proposal for the requested change. If Owner and Contractor are unable to reach an agreement as to the cost of any additional work to be reflected in the Change Order, then Contractor shall proceed on a time and materials basis on the basis of the expenditures and savings of those performing the work attributable to the change, including prices of materials, equipment, subcontractors and construction labor, including reasonable project management, supervision, general conditions, contingency and general liability insurance, plus overhead and profit (calculated as twenty percent (20%)), to Contractor.

### 13. Disputes.

- Mediation. The parties agree to first try in good faith to settle any claims, disputes and other matters in question arising out of, or relating to the Contract or the breach thereof, by mediation. If the parties cannot mutually agree upon a mediator within ten (10) days following a party's demand for mediation, the parties shall submit the dispute to mediation to the JAG office nearest to the Property and proceed in accordance with the mediation rules of JAG. Costs of mediation shall be equally shared by the parties. If any party commences arbitration or litigation of a dispute subject to mediation under this Contract without first attempting to resolve the matter through mediation, or if any party refuses to cooperate in the scheduling or conduct of mediation proceedings, then in the discretion of the arbitrator(s) or judge, that party shall not be entitled to recover its attorneys' fees and costs even if they would otherwise be available to that party.
- Arbitration. Any dispute or claim in law or equity arising out of the Contract or relating to the Work that is not settled through mediation shall be determined by neutral, binding arbitration and not by court action, except as provided by Colorado law for judicial review of arbitration proceedings. The arbitration shall be conducted pursuant to the rules of JAG and by a JAG arbiter. The parties to the arbitration may agree in writing to use different rules and/or arbiter(s). In all other respects, the arbitration shall be conducted in accordance with Colorado Revised Statutes. Judgment upon the award rendered by the arbiter(s) may be entered in any court having jurisdiction thereof. Any action that is within the jurisdiction of a probate or the monetary limitations of small claims court is

excluded from arbitration under the Contract. The filing of judicial action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction or other provisional remedy, or the recording of a mechanic's lien shall not constitute a waiver of the right to arbitrate under this provision.

13.3 <u>Venue</u>. Venue for any mediation or arbitration shall be in the JAG office nearest to the Property. Venue for any litigation relating to the Contract shall be in the county in which the Property is located.

### 14. Payments.

- 14.1 Contractor shall be paid, in progress payments, the amounts that become due Contractor for Work completed in accordance with the Payment Schedule attached to the Contract as Exhibit C and this Section 14. Contactor shall determine the schedule of values and progress of the Work in each application for payment. Such determination shall be conclusive unless Owner provides written notice of dispute in accordance with Section 14.3, below.
- 14.2 Invoices are due and payable upon receipt. Invoices not paid in full within 30 days of the invoice date, or other amounts owed and not paid when due, will accrue finance charges at the rate of 18% per annum until the amount is paid in full. If payment is not received by Contractor within 30 days of Owner's receipt of the invoice, or other due date per Exhibit C, Contractor has the right, at its discretion, to stop all Work at the Property and evacuate the Property. Should this occur, all general conditions items will be prorated for each day the Contractor is awaiting payment. If general conditions were not listed separately in the estimate, then it will be billed on a time and material basis. Additionally, Contractor shall be entitled to all actual de-mobilization and re-mobilization costs. All time accrued enforcing the above actions shall be added the length of the Construction Schedule.
- 14.3 If Owner is in dispute of an invoice or payment due under the Contract, a written explanation of dispute, along with full payment of any undisputed portion of said invoice, shall be due upon receipt of invoice or upon the event stated in Exhibit C. Written dispute and payment not received within 35 days shall be a breach of the Contract, and Contractor shall have available to it all remedies set forth in the previous Section.
- 14.4 Contractor warrants that title to all Work, materials and equipment covered by an application for payment will pass to Owner either by incorporation in the construction or upon receipt of payment by Contractor, whichever occurs first, free and clear of all liens, claims, security interests or encumbrances.
- 14.5 Payments may be withheld by Owner from Contractor only on account of: (1) defective Work not remedied; (2) failure of Contractor to make payments properly to subcontractors or for labor, materials or equipment; (3) damage to the Property caused by Contractor or its subcontractors; or (4) persistent and unexcused failure to carry out the Work in accordance with Contract Documents. Any amount withheld by Owner from Contractor pursuant to this Section shall not exceed the reasonable cost to correct any defective Work, cure any default hereunder or satisfy any claim against Contractor.
- 14.6 Contractor shall promptly pay each subcontractor after receipt of payment from Owner, out of the amount paid to Contractor on account of such subcontractor's portion of the Work, the amount to which said subcontractor is entitled, reflecting percentages actually retained from payments to Contractor on account of said subcontractor's portion of the Work. Contractor shall, by appropriate agreement with each subcontractor, require each subcontractor to make payments to sub-subcontractors in a similar manner. Payment to material suppliers shall be treated in a manner similar to that provided in respect to payment to subcontractors.
- 14.7 Owner may withhold up to 100% of the amount of any mechanic's liens that have been recorded before final payment is due. Amounts withheld by Owner to protect against mechanic's liens shall be paid to Contractor no later than 10 days after the following: (a) the recording of a release of the mechanic's lien; (b) expiration of the time during which a threatened mechanic's lien may be recorded without a lien having been recorded; (c) the recording of a bond releasing the mechanic's lien or otherwise securing Contractor's obligation to Owner; or (d) expiration of the time during which an action to foreclose on such mechanic's lien may be instituted.
- 15. <u>Liens</u>. To the extent that Owner makes payments to Contractor hereunder, Contractor shall indemnify and save Owner and the property harmless against all liabilities for claims and liens for labor performed or materials furnished in the Work, including any costs and expenses for attorneys' fees. Contractor agrees within 30 days after written demand is made by Owner, to cause the effect of any suit or lien to be removed from the Property, and in the

event Contractor fails to do so, Owner is authorized to cause said lien or suit to be removed or dismissed and the cost thereof, together with reasonable attorneys' fees, shall be immediately due and payable to Owner by Contractor.

- 16. <u>Clean-up</u>. Contractor shall keep the premises and surrounding area free from accumulation of waste materials or rubbish caused by operations under the Contract. At completion of the Work, Contractor shall remove from and about the Work areas of the Property any waste materials, rubbish, Contractor's tools, construction equipment and surplus materials and leave the premises and surrounding premises in a clean, broom-swept condition.
- Safety. Contractor shall be responsible for initiating, maintaining, and supervising all safety precautions in 17. connection with the performance of the Contract. Contractor shall take reasonable precautions for safety of, and shall provide reasonable protection to prevent damage, injury or loss to: (a) Contractor's employees on the Property and other persons who may be affected thereby; (b) the Work and materials and equipment to be incorporated therein; and (c) other property at the site or adjacent thereto. Contractor shall give notices and comply with applicable laws, ordinances, rules, regulations and lawful orders of public authorities bearing on safety of persons and property and their protection from damage, injury or loss. Contractor shall promptly remedy damage and loss to Property caused by Contractor, a subcontractor, or anyone for whose acts they may be liable and for which Contractor is responsible, except for damage or loss attributable to acts or omissions of Owner or by anyone for whose acts Owner may be liable and not attributable to the fault or negligence of Contractor. Unless authorized by Contractor, Owner shall not allow any other contractor on the Property during Contractor's performance of the Contract (excepting regularly scheduled maintenance vendors). Notwithstanding the foregoing, in the event Owner contracts with another contractor to perform work at the Property during Contractor's performance of the contract, Owner shall indemnify, defend and hold Contractor harmless from, any damages, claims, fines, assessments or fees arising out of any such engagement or work performed by any other contractor.

### 18. Contractor's Warranty and Responsibility.

- 18.1 Limited Warranty: Contractor gives Owner a limited warranty as follows: Contractor expressly warrants and guarantees to Owner that all labor installed under the Contract by Contractor or the subcontractors will be free from defects in workmanship (not inherent in the quality required or permitted by the plans). Contractor warrants that all materials and equipment installed under the Contract by Contractor or the subcontractors will conform to the requirements of the Contract and will be installed according to manufacturer's specifications so that any manufacturers' warranties shall pass to the Owner upon completion or installation.
- 18.2 Warranty Period: Contractor's warranty shall be for a period of one (1) year, commencing from the date of Substantial Completion of the Work. Notwithstanding the foregoing, Contractor's warranty for all plants and landscaping shall be for a period of one (1) year, commencing from the date of installation of the plants/landscaping.
- Limitations: Contractor will not be responsible for cracks in concrete, asphalt or cement applications that are equal to or less than 1/4" in width or vertical displacement; and Contractor will not be responsible for damage to such hardscape materials due to salt, chemicals that damage the Work, power washing, failure to maintain sealant/caulk, failure to maintain proper adjacent grade or other improper maintenance of such hardscape Work. For any cracks in hardscape greater than 1/4" in width, Contractor may tend to such issue by routing and sealing such cracks. Contractor is not responsible for pre-existing construction conditions or deficiencies that manifest themselves during Contractor's work, i.e. cracks in plaster, nail or screw pops in drywall, woodrot, substrate defects, or subsurface conditions that result in asphalt or concrete failure or damage, etc. Contractor will not attend to any warranty issues without receipt of final payment; final payment being a condition precedent to Contractor's warranty obligations herein. Contractor's warranty excludes remedy for damage or defect caused by abuse, modifications not performed by Contractor, improper or insufficient maintenance, improper operation, normal wear and tear under normal usage, acts of God, structural defects or soils movement (not in Contractor's scope of Work), work or design defects not performed by or beyond control of the Contractor, or improper or deficient design or specifications set forth by Owner, Owner's design professional or other persons other than Contractor. Nothing contained herein shall be construed to limit any other warranties Owner may receive from the manufacturer of materials used in the Work, but the warranty contained in this Section shall be the exclusive warranty of Contractor, and all other express or implied warranties and guaranties are expressly disclaimed. This warranty shall not apply to work, materials or workmanship performed by other parties either prior to or subsequent to the Contractor's Work, and any work beyond routine maintenance performed on Contractor's Work without Contractor's prior written approval shall void Contractor's warranty hereunder. If Contractor's Work involves matters of structural integrity or other design

requiring a licensed design professional, this warranty shall not extend to any structural integrity or other engineer-required issues not included in the plans, including but not limited to, construction, design, foundation or soil defects involving the structure.

- 18.4 Warranty Claims: Owner has the obligation to notify Contractor, in writing, within a reasonable period of time, of any failures or suspected failure regarding the Work. Contractor shall be given first opportunity of repair, within a reasonable time, any failures reported by Owner to Contractor. Contractor shall promptly commence and thereafter diligently pursue any warranty services required hereunder at Contractor's sole cost, expense and discretion. If Contractor fails to timely perform such services, Owner may perform the necessary services and Contractor shall reimburse Owner for the reasonable cost thereof within 30 days after delivery of Owner's written reimbursement request. In any event, Contractor's warranty hereunder shall be limited to the actual cost of repairs. Owner's failure to allow Contractor to investigate a warranty item and/or make repairs shall be a waiver of all claims for reimbursement or damage related to such warranty item.
- 18.5 Other Limitations: THE FOREGOING CONSTITUTES THE OWNER'S EXCLUSIVE REMEDY. CONTRACTOR MAKES NO WARRANTIES EXCEPT AS EXPRESSLY SET FORTH HEREIN. THIS WARRANTY EXCLUDES ALL OTHER GUARANTEES, REPRESENTATIONS, OR WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, EXPRESS OR IMPLIED, BY OPERATION OF LAW OR OTHERWISE.
- 19. <u>Waiver of Consequential Damages</u>. In no event shall Contractor be liable for incidental or consequential damages related to claims for lost rents, rental expense, loss of use, income, profit, financing, business and reputation, and loss of management or employee productivity or of the services of such persons. Notwithstanding the foregoing, Contractor shall repair all damage caused by it as a direct result of the Work (excepting only those limitations set forth in the Contract Documents, if any) or as a direct result of any warranty repair.

### 20. <u>Insurance and Indemnification</u>.

- 20.1 Contractor shall obtain, prior to commencement of the Work, a comprehensive general liability insurance policy including coverage for wrongful death and personal injury to persons other than Contractor's employees and property damage other than to the Work itself that may arise out of or result from Contractor's performance of the Work in minimum amounts of \$1,000,000.00 per occurrence, \$2,000,000.00 general aggregate. Contractor shall obtain workers compensation coverage, in at least the minimum amounts required by law. Contractor agrees to keep such insurance policies in full force and effect during the entire course of the Work to be performed. Contractor shall not perform any Work during such time as the required insurance policies are not in full force and effect.
- 20.2 Each party shall indemnify and hold the other harmless from all claims, damages, liabilities, costs and expenses, including reasonable attorneys' fees, but only to the extent caused by the indemnifying party's negligent acts in connection with the Project or the negligent acts of its agents, employees, contractors, subcontractors or consultants or anyone for whom the indemnifying party is legally liable. Neither party shall be obligated to indemnify the other party in any manner whatsoever for the other party's own negligence.
- 21. Notices. Any and all notices or other matters required or permitted by the Contract or by law to be served or given to, or delivered to either Owner or Contractor, by the other party to the Contract shall be in writing and shall be deemed duly served, given or delivered when (a) personally delivered to the party to whom it is addressed [or to an officer of that party]; (b) on the date of overnight delivery by a nationally-recognized overnight carrier; (c) two business days after deposit in the United States mail, first class postage paid, addressed to receiving party at its respective address set forth on the first page of the Agreement; or (d) the next business day following transmission via electronic mail to the party's designated representative. Either party may change the party's address or designated representative for these purposes by giving written notice of the change to the other party in the manner provided for in this Section.
- **22.** <u>Interpretation.</u> The Contract shall be construed according to its fair meaning and as if prepared by both parties hereto. The Contract shall be construed in accordance with the laws of the State of Colorado in effect at the time of the execution of the Contract. Titles and captions are for convenience only and shall not constitute a portion of the Contract. As used in the Contract, masculine, feminine or neuter gender and the singular or plural number shall each be deemed to include the others wherever and whenever the context so dictates.

- 23. <u>Successors and Assigns; No Third Party Beneficiary</u>. Each of the terms, provisions, and obligations of this Contract shall be binding upon, shall inure to the benefit of, and shall be enforceable by the parties and their respective legal representatives, successors and permitted assigns. Nothing in this Contract will be construed as giving any person, firm, corporation or other entity, other than the parties to this Contract and their successors and permitted assigns, any right, remedy or claim under or in respect of this Contract or any provision hereof.
- 24. Owner's Representative. Owner's Representative shall serve as its sole representative to communicate with Contractor in carrying out the terms of the Contract and performing all other functions assigned to Owner under the Contract. Owner may designate a substitute Owner's Representative at any time by delivering written notice thereof to Contractor. All agreements, decisions and other actions of Owner's Representative shall be binding on Owner and Contractor shall be entitled to rely thereon.
- 25. <u>Validity</u>. If any provision of the Contract or the application thereof is held invalid or unenforceable, the remainder of this instrument, or the application of such provision to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of the Contract shall be valid and enforceable to the fullest extent permitted by law.
- **Integration/Conflict/Modification.** The Contract Documents contain the entire understanding between the parties regarding the transaction contemplated hereby, and all prior or contemporaneous agreements, understandings, representations and statements, oral or written, are merged herein and shall be of no further force or effect. No provision of the Contract may be amended except by a writing signed by the parties hereto.
- 27. <u>No Partnership.</u> The Contract shall not constitute nor be deemed to constitute a partnership or joint venture between Contractor and Owner.
- 28. <u>Authority to Bind</u>. Each party signing the Agreement represents that it has full legal power, authority and right to execute, deliver and perform its obligations under the Contract and each party's performance hereunder and the transaction contemplated hereby have been duly authorized by all requisite actions on the part of such party and no remaining action is required to make the Contract binding.
- **29.** Counterparts; Electronic Signatures. The Agreement and any other Contract Documents may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which, when taken together, shall be deemed to be one and the same agreement or document. A signed copy transmitted by facsimile, email or other electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of the document.
- 30. <u>Description of Materials</u>. No representations have been made by Contractor or anyone on behalf of Contractor with respect to the description of materials to be used including, but not limited to, any trademark or brand name, or the quality or size of any goods or materials in reference to bathroom fixtures, sinks, stoves, refrigerators, lighting, carpeting or other flooring surfaces, burglar or smoke alarms, paints, textured coating, siding or other wall surfaces, insulation, roofing, air conditioning or heating systems, or appliances to be provided under the Contract. All other materials shall be as specified on construction letters provided, however, that if no specification is provided, materials shall be of the same or better standard and quality as those currently existing.
- 31. Occupants/Owner Complaints. Owner agrees that for the Work to be completed in a timely manner, the activities of Contractor and the subcontractor(s) may cause substantial interference and disruption to Owner, owners and occupants' use of the Property. Contractor shall have no liability for, and Owner shall indemnify, defend and hold Contractor harmless from, any claims by owners and occupants of dwelling units within the Property or by Owner arising out of any such interference or disruption, and there shall not be any reduction in the payments due hereunder to Contractor or the subcontractor(s) based on any such interference or disruption. This provision shall not limit Contractor's liability for personal injury to owners or occupants or for damage to owners' or occupants' personal property.
- 32. <u>Completion/Punch List</u>. Contractor shall notify Owner upon Substantial Completion of the Work, at which time the parties shall arrange a mutually convenient time to perform a punch list walk of the Work. If Owner fails to attend or refuses to participate in a punch list walk within a reasonable time after notice of Substantial Completion, then Contractor may complete the punch list without Owner's participation, in which case, the

Contractor's punch list shall be final and binding on Owner, and Contractor shall have no further liability to Owner with respect to any punch list items.

33. Waiver; Remedies. No waiver of any default as provided in the Contract or delay or omission in exercising any right or power by either party will be considered a waiver of any other default as provided in the Contract. No exercise or failure to exercise any right or power of either party as provided in the Contract will be considered to exhaust that right or power. The exercise of or failure to exercise any one of the rights and remedies of either party as provided in the Contract will not be deemed to be instead of, or a waiver of, any other right or remedy as provided in the Contract.

## **EXHIBIT B**

# ADDITIONAL CONTRACT DOCUMENTS

1. Change Orders executed by Owner and Contractor

### **EXHIBIT C**

# **PAYMENT SCHEDULE**

- 1. 25% of the Contract Price due upon Contract execution.
- 2. Progress payments to be billed monthly according to work completed.
- 3. Final payment due upon Substantial Completion.

# **EXHIBIT D**

# **ESTIMATE**



Love your place again\*\*

Repair Estimate

# Hartsock Foundation Sealing

Prepared by Josh Curtis

Date 8/11/2022

	Date 8/11/2022				
-	SUMMARY	1			
	Repair Description	Option 1		Option 2	
01	Supervision and General Conditions	\$	2,426.67	\$ 2,426.67	
02	Foundation Seal & Concrete Option 1	\$	10,933.88	\$ 	
03	Foundation Seal & Concrete Option 2	\$	-	\$ 44,906.57	
	Totals	\$	13,360.55	\$ 47,333.23	

- Notes: 1) This estimate is based on a site visit conducted by Reconstruction Experts.
  - 2) This estimate is valid for 30 days.
  - 3) This estimate incorporates industry standard construction repair and project costs extended by unit counts, or as lump sum estimates, for locations and/or general categories of the defect repairs. The term "Unit" as used herein does not denote unit pricing.
  - 4) Construction repairs shall be performed in accordance with all applicable building codes, and in accordance with OSHA Safety and Health Standards for the Construction Industry (29 CFR Part 1929).
  - 5) Open Items to be performed on a Time and Material basis or as a lump sum Change Order upon full evaluation of repairs required.
  - 6) Allowance items are for scope that needs further specification or for unknown quantity. Allowances will be accounted for with an add or deduct change order at the completion of the line item. Supporting documentation may include a detailed cost report and log of hours to be billed at RE's schedule of rates.
  - 7) Should additional information or currently unknown conditions be discovered and made available, Reconstruction Experts, Inc. retains the right to revise and supplement this estimate accordingly.
  - 8) Reconstruction Experts is not a design professional, architect or engineer and makes no representation as such.
  - 9) This excludes replacement of concrete, any roof repairs, or the removal of efflorescence/water staining. HVAC condensor will only be recharged with the amount of refrigerant that is currently in the unit.

Date	Date 8/11/2022				
				***************************************	
04	Supervision and General				
01	Conditions				
			Unit		
	Repair Description	Repair Quantity	Туре		Total
1.1	General Superintendent				
1.1.1	Oversee job and be available for consulting with				
	homeowner, architect, engineers and city officials.				
a.	Superintendent to manage day to day activities,	Included	days	\$	-
	progress of work, coordinate deliveries, subcontractors				
h	and required inspections.	4	E-A	Φ.	0.400.0
D.	Project manager to prepare construction meetings, submit schedules, RFIs, and maintain contractual	1	EA	\$	2,426.6
	obligations.				
1.2	Site Prep and Work		And the second		
1.2.1	Site setup and coordination of equipment				
	deliveries. Includes mobilization, safety issues,				
	conveniences and other items required to				
	commence and effectively complete project.				
a.	Mobilization - Continuing transportation costs for	Included	EA	\$	_
	delivering supplies, men and equipment, including				
	travel time, through the course of project work.				
	Porta Potti - serviced once a week.	Included	mth	\$	-
C.	Dumpster and debris removal.	Included	dump	\$	-
d.	General Labor	Included	days	\$	-
e.	PPRBD Permit Fees: Pass Through Cost			\$	\$ <b>-</b> \$
		Subtotal		\$	2,426.6
01	<b>Supervision and General Conditions</b>	TOTAL		\$	2,426.6

***************************************	Date 8/11/2022			
02	Foundation Seal & Concrete Lifting		Unit	
	Repair Description	Repair Quantity	Type	Total
2.1	Lift Slab			
a.	Lift sidewalk slab a maxium of 1" +/-	228	SF	\$ 2,733.47
b.	Crack seal slab	20	LF	\$ 770.98
2.2	Seal Foundation			
a.	Inject polymer at sidewalk/parking structure interface to a depth of 4 feet.	26	LF	\$ 6,658.46
b.	Inject concrete sealant to the inside of the foundation wall where the T-beam meets the foundation wall I three locations.	3	LOC	\$ 770.98
02	Foundation Seal & Concrete Lifting	TOTAL		\$ 10,933.88

	Date 8/11/2022			
02	Foundation Seal & Concrete Lifting			a strativi ordaniotora este come
	Repair Description	Danain O	Unit	
2.1	Foundation Seal & Concrete Replacement	Repair Quantity	Туре	Total
	Remove existing sidewalk	260	SF	\$ 7,359.44
b.	Excavate 6 ft down to expose foundation	26	LF	\$ 16,056.95
c.	Apply emulsion foundation sealant	156	SF	\$ 2,676.16
d.	Backfill and compact fill material	1,560	CF	\$ 9,366.55
e.	Form and repour concrete sidewalk	260	SF	\$ 7,359.43
2.2	HVAC			
a.	Pretest HVAC functionality, Remove and reset HVAC condensor, recharge with refrigerant removed, and post test HVAC to ensure it is working at the same capacity.	1	UNIT	\$ 2,088.03
02	Foundation Seal & Concrete Lifting	TOTAL	***************************************	\$ 44,906.57