

CONTRACT TO BUILD A HOUSE AT
2737 Milan Street (Single-family residence)
New Orleans, LA 70115

I. Contract Parties

Now comes (*Pro Renovations LLC – Louisiana Residential License No. 557872*) to hereby agree to build a house on property located at (*2737 Milan Street, New Orleans, Louisiana 70115*).

II. Contract Documents

The terms of this contract include all the documents specifically listed below, and constitute the entire terms of the agreement between the parties. The terms of this contract shall prevail over any conflicting provision in the documents incorporated by reference.

III. Building Plans

The builder has provided the plans, and drawings which are incorporated by reference into paragraph II. *Contract Documents*, and which are to be used for the construction of the house. The builder makes no representation about the quality of these plans beyond those specifically provided in the warranty's clause of this contract.

IV. Completion Time

Assuming all conditions are satisfied and weather permits, the work to be performed under the contract shall be substantially completed no later than 180 days after the work commences. The work shall commence within 30 days after the permits necessary to start work have been issued, the buyer has supplied the builder with a written notice of financing as described in paragraph V. *Financing*, and the buyer shall have supplied the builder with a correct statement of the recorded legal title of the property and the buyer's interest in the property.

Any time lost by reason of changes to the contract or changes in plans by the buyer, other acts of the buyer, strikes, weather conditions not reasonably anticipated, or any other condition not within the builder's control shall be added to the specified time for completion. For any delays which are not the builder's responsibility, the contract price shall increase by any increase in the builder's costs caused by the delay.

A claim for an increase in time for the performance of the contract, or an increase in the contract cost shall be made within 2 days after the builder first recognizes the condition giving rise to the claim.

V. Financing

This contract is contingent upon the buyer obtaining a construction loan in the amount of \$210,000 dollars. All fees and expenses of obtaining a loan shall be borne by the buyer. The builder is not required to begin construction until the buyer provides the builder with written notice from the lender confirming the loan.

VI. Contract Price

The buyer agrees to pay a total price of \$33,360 to the builder for construction of the house, and the builder agrees to provide all the labor, materials, equipment, tools, and other services necessary to construct the house.

(Progress payments will be made at the completion of specific construction events.)

A. Schedule of Progress Payments

1. Payments will equal the Contract Price (less any initial payment) times the percentage listed for each phase:

Draw 1: Contract Price up front to Break Ground: Purchase Lumber, Doors
Interior Framing, Plumbing \$15,000

Draw 3: Drywall, Tubs, and Toilets & Vanities, Interior Paint, Kitchen Cabinets,
Counter Tops, Flooring Work: \$15,000

Draw 4: Hold Back of the Contract Price after Project is Complete and the Project
passes Final Inspection: \$3,366

The buyer agrees to make a final payment within 5 days of the buyer's final inspection and acceptance of the property. The buyer is not entitled to possession until after final payment.

The builder's costs and expenses include the following:

All gross wages, employment benefits, costs of workers' compensation, and unemployment insurance incurred by the builder as the cost of labor during the performance of this contract, plus all salaries for builder's employees, but only to the extent that their time is spent on work required by this contract;

The cost of all materials, supplies, and equipment consumed in this project, including the cost of delivery and transportation of materials;

Rental charges consistent with those prevailing in the area for the use of machinery and equipment used at the construction site, whether owned by the builder or by others;

All land costs associated with building this house, which are paid by the builder;

All payments made by the builder for work performed according to subcontracts under this agreement;

All costs incurred for safety and security at the job site;

All costs incurred for building and code compliance;

All landscaping and backfilling costs necessary under the contract documents;
All builders' risk and other insurance costs necessary under the contract documents;

All soil fees and civil engineering fees necessary for this building project;

All costs associated with differing site conditions. A differing site condition is a physical characteristic of the property that materially changes the construction techniques from those reasonably expected at the time of the contract.

VII. Allowance Items

Upon signing this contract, the buyer shall be given the selection guide that is incorporated by reference into paragraph II. *Contract Documents* to help the buyer select allowance items, materials, and colors that will be required during the construction process. Exterior selections must be made within 7 days of signing this contract. Interior selections must be made within 7 days of signing this contract.

VIII. Late Payments

Payments not made in a timely fashion shall incur daily interest at the rate of 4% from the day the payment is due.

If the buyer fails to pay the builder within seven days of the date the payment is due, through no fault of the builder, the builder may stop work and may keep the job idle until such time as payments that are due to the builder are paid. If the builder chooses not to stop work after a payment delay, this is not to be construed as a waiver of his rights to stop work if future payments are delayed.

All attorney fees incurred by the builder to collect sums owed by the buyer shall be paid by the buyer, together with interest at the rate of 4%.

IX. Permits and Surveys

The buyer shall obtain and furnish all necessary surveys describing the physical characteristics of the property, the location of all utilities, and the location of all easements to the building that are necessary to allow the builder to complete his performance. If additional

easements are necessary to complete the work, the buyer shall obtain those easements promptly.

If no soil report is available, the buyer shall provide one at his own expense.

The builder shall obtain building permits, licenses, building inspections and approvals required by local law.

If a covenant or architectural review committee requires the approval of plans and specifications, the buyer shall be responsible for obtaining these approvals and paying for any fees connected with them.

X. Change Orders

The buyer may order changes in the work within the terms of this contract, but only by a prior written order and agreement with the builder that states the changes to the contract, the amount of any additional cost, and the additional number of days to be added to the contract completion date. Any of the buyers may sign the change order and that signature will be binding upon all of the buyers.

The buyers hereby agree to make all requests for change orders to the builder, and not to issue instructions to, or otherwise negotiate for additional or changed work specifications with, the builder's employees or subcontractors.

XI. Insurance and Risk Management

The builder shall obtain all workers' compensation, commercial general liability insurance and comprehensive liability insurance necessary to protect builder from claims for damages due to bodily injury, including death, and for damages to property that may arise out of and during operations under this contract.

The buyer shall purchase his/her own builders risk insurance to include coverage for fire, theft, vandalism and all other casualties to the full insurable value of the house and shall name the builder as an additional insured.

Each party shall issue a certificate of insurance to the other prior to the commencement of construction.

XII. Access to the Property Site

The buyer shall have access to the property and the right to inspect the work in the presence of the builder. If the buyer enters the property during the course of construction without the permission of the builder, he does so at his own risk, and the buyer hereby releases the builder and does hereby hold the builder harmless from any and all claims for injury or damage to his person or property, and to the person or property of any person accompanying the buyer.

XIII. Inspection, Acceptance, Final Payment and Possession

At the final inspection, the buyer will give the builder a signed and dated list that identifies any alleged deficiencies in the quality of the work or materials. The builder shall correct any items on the buyer's list that are, in the good faith judgment of the builder, deficient in the quality of the work and/or materials according to the standards of construction in the area in which the house is built. The builder shall correct those defects within a reasonable period of time.

After the defects have been corrected according to the standards of construction in the area in which the house is built, the buyer shall sign a certificate of acceptance acknowledging that the defects on the buyer's list have been corrected according to the standards of this contract.

The builder shall provide the buyer with an affidavit stating that all materials and services for which a lien could be filed have been paid, or an affidavit identifying what services and materials for which a lien could be filed have not been paid, and swearing that such amounts will be paid from the proceeds of the final payment.

Occupancy will be granted to the buyer when the buyer makes a final inspection of the home, signs a certificate of acceptance, and makes the final payment.

XIV. Warranties

All warranties are limited to the implied warranties of habitability and workmanlike construction and are limited to a period of one year from the date of the issuance of a certificate of occupancy by the local building code enforcement authority. This limited warranty is the only express warranty provided by the builder.

XV. Disputes

Should any dispute arise relative to the performance of this contract that the parties cannot resolve, the dispute shall be referred to a single arbitrator acceptable to the builder and the buyer. If the builder and the buyer cannot agree upon an arbitrator, the dispute shall be referred to the American Arbitration Association for resolution. All attorney fees that shall be incurred in the resolution of disputes shall be the responsibility of the party not prevailing in the dispute.

XVI. The Governing Law and Assignment

This contract will be construed, interpreted, and applied according to the law of the state where the property is located. This contract shall not be assigned without the written consent of all parties.

XVII. Effective Date and Signature

This contract shall become effective on the date it is signed by both parties.

We, the undersigned, have read, understood, and agree to each of the provisions of this

contract and hereby acknowledge receipt of a copy of this contract.

By: Pro Renovations LLC

Title: (Contactor)

Printed Name: Clifton James Jr

Signature:  Date: 7-30-22

By: Marylon B. Remo

Title: (Owner)

Printed Name: MARYLON B REMO

Signature:  Date: 7-30-2022