



Terms and Conditions
Rental Renovators, Inc. DBA
P. J. Hussey Construction
3855 W. Glendale Ave. Phoenix, AZ 85051
Phone: (623) 934-2424
Fax: (623) 930-7701
www.pjh-construction.com
State of Arizona License #327-309

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TERMS AND CONDITIONS:

NOW THEREFORE, in consideration of the mutual promises and for other good and valuable consideration exchanged by the Parties as set forth in this Agreement, the Parties, intending to be legally bound, hereby mutually agrees as follows:

1. **Description of Work.** Contractor will perform the work described in the estimate above, in accordance with Owner's contract plans and specifications this Agreement and any Change Order, as defined herein, (collectively, the "Contract Documents") at the Property.
2. **Contract Price and Payments.** Owner agrees to pay the amount listed in the estimate for the Work. Payment of the Contract Price is subject to additions or deductions in accordance with any mutually agreed to changes and/or modifications in the Work, and the other documents to which this Agreement is subject. The owner understands that in the event costs exceed this budget our fee will be capped at 20% over cost.
3. **Deposit & Payment Schedule:** Owner will pay Contractor a deposit in the amount of 25% of the Contract Price upon the execution of this Agreement. All additional payment requests will be progress payments made on invoices. Upon receipt of an invoice from Contractor, Owner will have 15 days to review and pay the invoice before a payment is considered delinquent. If payment is not made by the 15th day, Contractor may stop the Work until payment of such invoice is made in full. If more than one delay in payment occurs, Owner will be required to pay Contractor an additional deposit for the Work to recommence (the "Additional Deposit"). The amount of any Additional Deposit will be set by Contractor in its sole discretion. **Payment Methods.** Payments made by credit or debit card are subject to a 3.5% processing fee. ACH (bank transfer) payments are accepted at no additional charge. Any returned or declined payment shall be subject to a \$35 returned payment fee, plus any applicable bank fees incurred by Contractor.
4. **Certificate of Completion:** Upon completion of the Work, Contractor will notify Owner that the Work is ready for final inspection and acceptance. When Owner finds the Work acceptable and this Agreement fully performed, Contractor will issue Owner a "Certificate of Completion" stating that the Work has been completed in accordance with the Contract Documents and the entire outstanding balance of the Contract Price will immediately be due and payable. Owner will make the final payment within 10 (ten) calendar days after receiving a Certificate of Completion. By making final payment, Owner waives all claims except (a) those set forth in a writing provided to Contractor within 10 (ten) calendar days after receiving a Certificate of

Completion; (b) those arising from any faulty Work first after completion and within any applicable warranty period; (c) any Work found to not comply with the Contract Documents within any applicable warranty period; or (d) outstanding claims or liens of subcontractors or suppliers. Contractor, by accepting final payment, waives all claims except those previously made in writing to Owner.

5. **Materials and Labor:** Contractor will provide and pay for all labor and equipment, including tools, construction equipment, machinery, transportation, and all other facilities and services, and materials as necessary for the completion of the Work. All materials will be good quality and new, unless the Contract Documents require or permit otherwise. Contractor may substitute materials only with the prior written approval of Owner. Upon delivery to the Property, all materials become the sole property and responsibility of Owner. All loss or damage (whether by theft, vandalism, fire, flood, or other casualty) to these materials will be borne solely by Owner and Owner releases Contractor from any responsibility or liability for such loss or damage so long as such materials are properly stored and secured in the respective unit for which the materials are used.
6. **Price Escalations in Materials and Equipment.** If, during Contractor's performance of the Work, and due to no fault of Contractor, significant market price increases for materials or equipment occur, or if significant market delays or disruptions in supply of materials or equipment occur, the Contract Price, time to perform, and/or other affected contract requirements, must be equitably adjusted and modified by change order or other form of written amendment to the Agreement. For purposes of this section, an increase in such pricing is "significant" when the price of materials or equipment increases by five percent (5%) or more between the effective date of the Agreement and the time when Contractor normally purchases the materials or equipment from its suppliers. A delay or disruption in the supply of materials or equipment is "significant" when it causes Contractor to be delayed or disrupted in its planned performance times by a total of 15 calendar days or more. If, in its sole discretion, Contractor determines that any price increase or supply delay/disruption is or will be too disruptive for Contractor to proceed with or continue performing the Agreement, and if no onsite construction has commenced, Contractor reserves all rights to unilaterally cancel the Agreement, or, alternatively, to reschedule the Work pursuant to a revised schedule coordinated with the Owner. In the event of such cancellation or rescheduling by Contractor, Owner waives and releases all claims and damages relating to or arising out of the cancellation or rescheduling.
7. **Starting and Completion Dates; Delays; Force Majeure.** The start and completion dates for the work under this agreement will be set once the design is completed and the permits are obtained.

Owner understands that time of completion is a good faith estimation/approximation, only, and there is no liability or penalty to Contractor for exceeding the Contract's estimated time. Contractor's typical "working day" is Monday through Friday, excluding major holidays, inclement and unsafe weather days, and days delayed by city inspections, city change orders, or Owner's changed/additional work.

Contractor agrees to commence and diligently perform its work through completion, but is not and shall not be responsible for delays beyond its reasonable control, including but not limited to the following reasons: inability to secure materials and/or equipment through regularly recognized channels; imposition of Government priority upon or allocation of materials; failure of Owner to make payments when scheduled or otherwise due; delays caused by inspection or changes ordered by the inspectors of authorized governmental bodies; acts of independent contractors; failure of issuance of all necessary building permits within a reasonable time; loan funding or untimeliness in disbursement of funds into funding control or escrow; acts of negligence or omission by Owner or Owner's agents or others within Owner's control; force majeure events, including but not limited to Acts of God (e.g., fire, flood, adverse weather conditions), war or similar major conflicts, government interruptions or mandates, labor strikes or other disputes, civil unrest/riots, accidents, disease, pandemics and epidemics (including, but not limited to, pandemics, epidemics, public health emergencies, or governmental orders.); unsafe weather conditions as will be determined by

Contractor and/or its personnel in their sole discretion; and recognized holidays that affect labor/performance.

8. **Instructions.** Owner will give all instructions to Contractor and will furnish all necessary plans, surveys, or other documentation for the Work. Unless otherwise provided in the Contract Documents, Owner will secure and pay for all necessary easements, assessments, or other approvals necessary for permanent structures or permanent changes in existing structures or facilities necessary to complete the Work.
9. **Licenses and Permits.** Contractor will obtain all licenses and permits necessary for proper completion of the Work. Contractor is responsible for the cost of any necessary permits or licenses.
10. **Laws and Regulations.** Contractor will perform the Work in a workmanlike manner. Contractor will comply with all applicable federal, state, and local laws, regulations, and ordinances, and any safety requirements of Owner (the "Applicable Laws") in the performance of the Work. Contractor will promptly notify Owner upon discovery of any variance between the Applicable Laws and the Construction Documents.
11. **Supervision of Construction.** Contractor will be solely responsible for and will supervise and direct all construction under this Agreement. Contractor will provide competent and suitable personnel to perform the Work. Contractor will at all times take all reasonable precautions for the safety of its employees and the public at the Property. Contractor agrees to assume full responsibility for the acts, negligence, and/or omissions of its employees and any subcontractors and their employees.
12. **Record Documents.** Contractor will maintain in a safe place at the Property one record copy of all drawings, specifications, addenda, written amendments, and similar documents in good order and annotated to show all changes made during construction, which will be delivered to Owner upon completion of the Work.
13. **Utilities.** Owner will pay for all permanent electric, water, phone, cable, sewer, and gas service as needed to perform the Work. Owner will pay for the installation, connection, and removal of all temporary utilities on the Property during the performance of the Work. All temporary utilities will conform and adhere to Applicable Laws. If electrical power is unavailable when required to perform the Work, Contractor may provide temporary generator power. Applicable generator rental charges shall be the responsibility of Owner.
14. **Owner Responsibilities.** Owner shall provide Contractor reasonable access to the Property during normal working hours and shall ensure electrical power is available unless otherwise agreed in writing. Unless specifically included within the Contract Documents, Owner is responsible for all material costs associated with the Work. Contractor's Selections Guide outlining typical material costs and finish options is available at www.pjh-construction.com/selections.
15. **Hazardous Materials.** Except as otherwise provided in the Contract Documents, Contractor will be responsible for all Hazardous Materials brought to the Property by Contractor. Hazardous Materials will include radioactive materials, asbestos, polychlorinated biphenyls, petroleum products, crude oil, flammable materials, chemicals, or solvents known to cause cancer or reproductive toxicity, pollutants, contaminants, and toxic substances which are restricted, prohibited or regulated by any agency of government in its manufacture, use, maintenance, storage, ownership, or handling. If Contractor discovers any Hazardous Materials on the Property, Contractor will immediately notify Owner and may cease working until the material or substance has been rendered harmless. Owner will defend, indemnify and hold harmless Contractor, any subcontractors, and their respective agents and employees from and against all claims, damages, losses, and expenses, including attorney's fees, arising out of or resulting from contact with the Hazardous Substance in performance of the Work resulting in bodily injury, illness or death, or property damage, provided such claim, damage, loss or expense is not the result of any negligent act or omission by the party seeking such indemnity.
16. **Warranty.** Contractor warrants that the Work will be in accordance with the Contract Documents and free from material structural defects. Contractor will repair any Work not in accordance with the Contract Documents or any defects caused by faulty materials,

equipment, or workmanship for a period of two (2) years from the date of the Certificate of Completion.

17. **Condition of the Property.** Contractor agrees to keep the Property and adjoining driveways free and clear of waste material and rubbish. Contractor will confine the storage of materials and equipment and the operations of employees to the Property and will not unreasonably encumber the Property with materials or equipment. Contractor will be responsible for any damage to the Property or areas contiguous thereto resulting from the performance of the Work. At the completion of the Work, Contractor will remove all waste materials, rubbish, and debris from and about the Property, as well as all tools, appliances, construction equipment, machinery, and surplus materials, and will leave the Property clean and ready for occupancy by Owner.
18. **Inspection.** Owner will have a right to inspect the Work at any time and request that Contractor promptly correct any Work that is defective or does not conform to the Contract Documents. If required, the Work will be inspected and certified by the appropriate state or local agency or health officer at each necessary stage.
19. **Right to Stop Work.** If Contractor fails to correct any defective Work or repeatedly fails to perform the Work in accordance with the Contract Documents, Owner will have the right to order Contractor to stop performing the Work, or any portion thereof, until the cause for such order is eliminated.
20. **Subcontracting.** Contractor may, in its sole discretion, assign or sub-contract all or any portion of its Work as is reasonably necessary to ensure proper and timely completion of the Work. Contractor will furnish to Owner a list of names of subcontractors proposed to perform principal portions of the Work upon request from the Owner. Contractor will not employ any subcontractor to whom Owner reasonably objects. A subcontractor, for the purposes of this Agreement, will be a person with whom Contractor has a direct contract for work at the Property. All contracts between Contractor and subcontractor will be in accordance with the terms of this Agreement and the Contract Documents.
21. **Work Changes.** Owner reserves the right to order changes to the Work in the nature of additions, deletions, or modifications, without invalidating this Agreement, and agrees to make corresponding adjustments in the Contract Price and time of termination if applicable. All changes will be authorized in a written "Change Order" signed by Owner and Contractor, which will be incorporated by reference herein. No work to be done under a Change Order will begin, including that no materials will be ordered, unless and until the Change Order is signed by both Owner and Contractor.
22. **Design Services.** When requested by Owner and not otherwise included in the Contract Documents, Functional Design Services are available at \$150 per hour, with a three (3) hour minimum (\$450). Optional Interior Design Services are available for \$600 for up to four (4) hours. Material Selection Assistance, including product sourcing, showroom visits, finish selections, and coordination beyond the included design services, is billed at \$75 per hour.
23. **Other Contractors.** Owner will not enter into other contracts in connection with the Work without prior written consent from the Contractor.
24. **Indemnification.** Contractor agrees to defend, indemnify, and hold harmless Owner and its agents and employees from and against all claims, actions, liabilities, suits, demands, injuries, obligations, damages, losses, settlements, judgments, fines, penalties, costs, and expenses, including reasonable attorneys' fees, arising out of any negligent act or omission by Contractor, a subcontractor, or anyone directly or indirectly employed by them in the performance of the Work resulting in bodily injury, illness, or death, or for property damage, including loss of use, unless caused by the sole negligence or willful misconduct of Owner.
25. **Contractor's Insurance.** Contractor agrees to maintain insurance at its own expense during the entire period of construction at the Property as follows:
 - General Liability Insurance.** Contractor will maintain general liability insurance to cover claims for property damage and bodily injury, with limits of liability not less than \$1,000,000.00 [minimum amount of general liability insurance] for each occurrence.
 - Automobile Liability Insurance.** Contractor will maintain automobile liability insurance with

limits of liability not less than \$100,000.00.

Contractor will name Owner as an additional insured if requested by owner in writing and provide proof of insurance to Owner within a reasonable time after such a request is made. Any such request from Owner will only be honored after Owner's execution of this Agreement.

26. **Time of Essence.** All times stated in this Agreement or in the Contract Documents are of the essence.
27. **Extension of Time.** The times stated in this Agreement may be extended in a Change Order if and when the Work is delayed for reasons including, but not limited to, labor disputes, fire, unusual delay in deliveries, abnormal adverse weather conditions, unavoidable casualties, or other causes beyond Contractor's control or which justify the delay.
28. **Early Termination for Breach of Contract.**
 - Termination by Contractor.** Contractor may, on thirty (30) days' written notice to Owner, terminate this Agreement before the completion of all work. Furthermore, Contractor may, on Ten (10) days' written notice to Owner, terminate this Agreement before the completion of the Work when for a period of Thirty (30) days after a progress payment is due, through no fault of Contractor, Owner fails to make the payment. On such termination Contractor may recover from Owner payment for all Work completed and for any loss sustained by Contractor for materials, equipment, tools, or machinery to the extent of actual loss thereon, plus 15% for its overhead and 10% for profit.
 - Termination by Owner.** Owner may, on Thirty (30) days' written notice to Contractor, terminate this Agreement before the completion of the Work, and without prejudice to any other remedy Owner may have, if Contractor defaults in the performance of any provision of this Agreement, or fails to carry out performance of the Work in accordance with the provisions of the Contract Documents.
29. **Contractual Time Limitation on Claims.** No civil action of any character arising from or related to the Agreement, or the performance thereof, shall be commenced by either party against the other more than two years after completion or cessation of work under this contract. If one or more of the provisions of this Agreement or any application thereof is deemed invalid, unenforceable, or illegal, the validity, enforceability and legality of the remaining provisions and any other application shall not in any way be impaired thereby.
30. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which will be deemed an original and all of which together, will constitute one and the same document.
31. **Headings.** The section headings herein are for reference purposes only and will not otherwise affect the meaning, construction, or interpretation of any provision of this Agreement.
32. **Notices.** Any notice or communication given or made to any Party under this Agreement will be in writing and delivered by hand, sent by overnight courier service or sent by certified or registered mail, return receipt requested, to the address stated above or to another address as that Party may subsequently designate by notice and will be deemed given on the date of delivery.
33. **Assignment.** Except as otherwise set forth herein, no Party hereto will have the right to assign its rights or delegate its duties hereunder without the written consent of the other Party, which consent will not be unreasonably withheld.
34. **Binding Effect.** This Agreement will be binding and inure to the benefit of the Parties and their respective legal representatives, heirs, administrators, executors, successors and permitted assigns.
35. **Governing Law.** This Agreement and the rights and obligations of the Parties hereto will be governed by and construed in accordance with the laws of the State of Arizona, without regard to its conflicts of law's provisions.
36. **WAIVER OF TRIAL BY JURY.** IF, AT ANY TIME, ANY CONTROVERSY ARISES BETWEEN THE PARTIES REGARDING ANY MATTER ARISING OUT OF OR RELATING TO THIS AGREEMENT, INCLUDING BUT NOT NECESSARILY LIMITED TO, FORMATION OR VALIDITY, PERFORMANCE, OR MATERIAL BREACH, AND AFTER THE PARTIES' HAVE ENGAGED, IN GOOD FAITH, IN INFORMAL AND/OR FORMAL RESOLUTION EFFORTS, THE CONTROVERSY WILL BE DECIDED BY A JUDGE OF THE ARIZONA SUPERIOR COURT IN AND FOR THE COUNTY WHERE THE SUBJECT CONSTRUCTION PROJECT IS

SITUATED. BY SIGNING THIS CONTRACT, OWNER IS AGREEING TO HAVE DISPUTES ARISING FROM THIS CONTRACT DECIDED BY A JUDGE, NOT A JURY. OWNER AGREES TO WAIVE ANY AND ALL RIGHTS TO TRIAL BEFORE A JURY. IN THE EVENT OF A MATERIAL BREACH OF THIS AGREEMENT, THE PREVAILING PARTY SHALL BE AWARDED ITS REASONABLE ATTORNEY FEES AND LITIGATION COSTS INCLUDING EXPERT COSTS, TOGETHER WITH INTEREST TO THE EXTENT APPLICABLE PURSUANT TO STATUTE OR AGREEMENT.

37. **Severability.** If any provision of this Agreement is held to be invalid, illegal, or unenforceable in whole or in part, the remaining provisions will not be affected and will continue to be valid, legal, and enforceable as though the invalid, illegal or unenforceable part had not been included in this Agreement.
38. **Entire Agreement.** This Agreement contains the entire agreement between the Parties hereto with respect to the subject matter hereof, and supersedes all prior negotiations, understandings, and agreements.
39. **Integration of Prior Communications; No Oral Representations.** This Agreement constitutes the Parties' entire terms and conditions of agreement, except as may be amended or revised by change orders or other addenda to the Agreement signed by both Parties. The Parties are not bound by any oral expression or representation by any agent of either Party purporting to act for or on behalf of either Party or by a commitment or arrangement not specified in the Agreement.
40. **Amendments.** This Agreement may not be amended or modified except by a written agreement signed by all of the Parties.
41. **Waiver.** No Party will be deemed to have waived any provision of this Agreement or the exercise of any rights held under this Agreement unless such waiver is made expressly and in writing. Waiver by any Party of a breach or violation of any provision of this Agreement will not constitute a waiver of any other subsequent breach or violation.
42. **Labor rates:** Skilled Trades (Mechanical, Plumbing, Electrical, Carpenter, etc.): \$150 per hour; Supervision: \$125 per hour; Journeyman trades: \$95 per hour; General Labor (unskilled trades): \$65 per hour; Consulting: \$250 per hour. **The Supervision hourly rate is limited to onsite hours only. The additional 5% covers offsite project management and administrative costs. Contractor reserves the right to apply reasonable fuel, travel, delivery, disposal, environmental, or other project-related surcharges when necessary due to market conditions, project location, or operational costs. Any applicable surcharges will be identified in the estimate, proposal, or change order.* Consulting is typically reserved for Owner involvement on issues that cannot be addressed by staff.
43. **Fees:**
 - Portable Toilet Fee:** \$369 per month. Rental is billed in full for each monthly rental period regardless of the number of days used.
 - Trailer Fee:** \$395 per trailer
 - Dumpster Fee:** \$695 per dumpster .
 - Delivery Fee:** \$275 per delivery
 - Generator Rental:** Applicable when temporary power is required because electrical service is unavailable.