

STANDARD FORM OF AGREEMENT Rev. 04/21  
BETWEEN PROPERTY OWNER AND GENERAL CONTRACTOR  
(Cost of the work plus percentage or flat fee)

THIS AGREEMENT is made this Date: \_\_\_\_\_, 2021,  
between the following parties:

OWNER:

Name: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Telephone No.: \_\_\_\_\_

GENERAL CONTRACTOR: Name: David Bauer Custom Homes, Inc. (DBCH)  
Mailing Address: PO Box 96  
Blanchester, Ohio 45107  
Telephone No.: 513-617-5938

PROJECT DESCRIPTION: Type of Building: \_\_\_\_\_  
Approx. Sq. Footage: \_\_\_\_\_  
Street Address: \_\_\_\_\_  
Legal Description: Parcel# \_\_\_\_\_  
Acers \_\_\_\_\_

TERMS AND CONDITIONS

1. CONTRACT DOCUMENTS. The Contract Documents shall consist of this Agreement and each of the following incorporated herein by reference:
  - 1.1 All future amendments to this Agreement as agreed to in writing by Owner and General Contractor.
  - 1.2 The Standards of a Construction Contract attached hereto as attachment #1.
  - 1.3 The plans, specifications and drawings now existing for the project attached here as attachment #2 and any future amendments thereto. (Collectively, the "Plan")
  - 1.4 The Materials, Subcontractors and Specifications List, with cost estimate (when applicable).
  - 1.5 Work Change Order Form, if any, to be issued and signed by Owner, General Contractor, and applicable subcontractor in a form prepared by subcontractor or one supplied by GC. E-mail authorization is same as signature.
  - 1.6 Owners Loan Company's documentation, such as inspection forms, draw schedule and forms, specification and restrictions as attachment #4.
  - 1.7 Cost Estimated Breakdown as attachment #5.
  - 2.0 Other: \_\_\_\_\_

2. GENERAL DESCRIPTION OF THE WORK. The General Contractor shall perform all of the work required by the Contractor Documents, summarized as follows:

3. TIME OF COMMENCEMENT AND SUBSTANTIAL COMPLETION. The General Contractor shall commence the work within 30 days after the execution of this Agreement by all parties and upon issuance of any required permits for the work. Any site preparation required of the Owner shall be completed prior to the commencement by the General Contractor. Substantial completion of the work shall be achieved not later than \_\_\_\_\_ days after commencement, subject to extension only for authorized change orders or matters beyond the control of the General Contractor.

4. COST OF THE WORK. Owner agrees to reimburse the General Contractor for the cost of the work as defined in the Standards attached. Such reimbursement shall be in addition to the General Contractor's Fee stipulated in paragraph 5, below.

5. CONTRACTOR'S FEE. In consideration of the performance of the contract, the Owner agrees to pay the General Contractor in current funds, a fee equal to 15% of the total cost of the project, for the cost of the work as defined in the Standards attached hereto as attachment #1.

GCF % Breakdown Per Project:

1. Pre-Construction..... 15% (50% due when we start making selections)
2. Foundation..... 15%
3. Framing/Structure..... 30%
4. Rough-In/Insulation/Drywall..... 20%
5. Partial Finishes..... 10%
6. Final..... 10%

6. ACCOUNTING AND PAYMENT. General Contractor shall prepare and submit a complete accounting to Owner at the end of each draw period as outlined in attachment #4. Such accounting shall include the cost of the work for the period covered. A computation of the General Contractor's Fee (GCF), and the statement of the total amount owed by Owner to General Contractor, due and payable upon receipt. If the Contract Documents provide for the direct payment of any of the cost of the work by Owner, Owner shall promptly provide General Contractor with all receipts for such costs to be incorporated in the aforementioned accounting. If payment is not received within 30 days of invoice, a \$150.00 fee, plus an APR of 18% will be added to the amount due.

7. ADVANCE PAYMENT. Simultaneously with the execution of this Agreement, Owner shall pay to General Contractor an advance of \$5,000.00 to be applied by General Contractor solely on account of the cost of work and the General Contractor's Fee applicable thereto.

8. CHANGE ORDERS. Once the plans have been approved by building department, the Owner may make changes in the work, provided that no change shall be effective unless and until a Work Change Order Form, provided by subcontractor or in the form attached hereto as attachment #3, has been completed and signed by the parties. The cost of all such changes shall be included as an addition to the costs of the work to which the General Contractor's Fee shall apply. A processing fee of \$250.00 will be paid by Owner to GC for each change order. DBCH has sole discretion and authority to approve change orders. No change order requested by Owner will be honored unless accepted and approved in writing by DBCH in accordance with the contract. Every change order will include labor and material costs plus the applicable contractor's fee and a minimum additional fee of \$375. Change orders must be paid in advance or as part of the construction loan contingency. If additional drafting, plans or prints are necessary, Owner shall pay the cost and hourly fee determined by DBCH for any such additional work caused by changes or additions to the work.

9. TERMINATION. Either party may terminate this Agreement by giving the other thirty (30) days prior written notice of his intention to do so. Upon termination, General Contractor shall submit a final accounting to Owner of all cost of the work and the General Contractor's Fee computed through the date of termination, due and payable upon receipt. All materials at the site for which the General contractor has

obligation to pay for shall remain the property of the General Contractor until payment due under aforementioned final accounting has been received.

10. **WARRANTIES.** All manufacturer warranties and subcontractor warranties are available for the benefit of the owner. Each subcontractor is responsible for the quality of its own work and materials. Major components such as roofs, HVAC systems, water heaters and most appliances have separate written warranties which are between the owner and manufacturer. Unless otherwise set forth in writing DBCH provides no additional warranties of any kind over and above the specific written manufacturer and subcontractor warranties. Finish drywall and finish painting are not covered by warranties unless the subcontractor includes in quote details.

11. **VERIFICATION OF FUNDS.** Owner shall provide written verification of funds (in the amount of the full contract price) within thirty days of signing the contract. Verification can be in the form of a written bank financing commitment or if no loan is involved a written letter of credit or other proof of funds available.

12. **ATTORNEY FEES.** In the event any collection or legal action is required to collect funds due under the contract, Owner is responsible for any collection costs or attorney fees, litigation costs and related expenses.

13. **SUBCONTRACTOR APPROVAL.** All subcontractors hired are at the sole discretion of DBCH. Owner is not permitted to hire or contract with any subcontractor without written consent from DBCH. Owners are not permitted to do any of the work on the job without written consent from DBCH. If Owner wants to use a subcontractor not currently enrolled as subcontractor with DBCH, an enrollment fee must be paid by Owner or Subcontractor prior to commencement of work in the amount of \$750.00. The subcontractors and vendors will be selected and finalized prior to pulling permits and starting the construction phase.

14. **JOB SITE SECURITY.** DBCH has complete discretion and control of the job site and work area during the project. Owner, guests, family and children are not permitted in the work area while any sub, worker, delivery person or DBCH representative is present. Owner may be present if requested or directed to the work area by DBCH representative. Owner is not permitted to converse with or direct any sub or worker on the job site in any way and Owner and family must refrain from any interference or unnecessary interaction with workers of any kind.

15. **MOVING FURNITURE OR HOUSEHOLD ITEMS.** DBCH will charge hourly for any necessary moving of furniture or household items not moved by Owner after request by DBCH.

16. **LIEN WAIVER.** - All subcontractors shall be required to sign a lien release or lien waiver before receiving final payment.

17. **GENERAL.** This agreement and the Contract Documents shall insure to the benefit of and shall be binding upon the parties and heir respective theirs, executors and assigns. No modifications hereof shall be effective unless in writing and signed by the parties hereto. This Agreement shall be construed and enforced in accordance with the laws of the State of Ohio. By their signature below, each party acknowledges that they have read this agreement and all of the Contract Documents referred to therein and agree to be bound by the terms thereof.

18. **DESIGNER.** DBCH will assist Owner in making selections and interior and exterior design coordination of finishes.

19. **DRAFTING PLANS.** In consideration of the preparation and drafting of plans and specs, the Owner agrees to pay DBCH in current funds, a fee of \$3.25 per square foot of living space. (If plans are provided by another, they must be approved by DBCH for use. If the plans are not complete and thus DBCH will be required to complete plans and specs, Owner agrees to pay DBCH an hourly rate of \$100.00) Site Plan, Septic Design and Engineering are provided at costs to Owner, over and above drafting of plans. Included

in the above are 3-D computerized walk-through meetings. These 3-D meeting will allow for us to walk through the computerized version of the house and move furniture around as well as see the house with different selections and finishes.

20. PREFERRED VENDERS: DBCH has a list of preferred vendors. If homeowner chooses to use a vendor outside this list the homeowner is responsible for all associated with the cost, shipping and management of this vendor. If it becomes necessary for DBCH to involve themselves in the management, estimating or receiving of these items from said vender, a fee of \$500.00 shall be paid by Owner to DBCH per vender.

21. SPECIAL TERMS AND CONDITIONS.

Payments are billed, payable and due in the following draws.

1. By Homeowner before making final loan application or at closing of construction loan
2. Completion of foundation
3. Completion of framing (Dry-in)
4. Rough-in, insulation and installation of drywall
5. Partial completion of interior and exterior finishes
6. Obtaining Certificate of Occupancy (final walk-through by Owner & GC to resolve any outstanding item and then sign off on as completed)

Executed by the parties effective as of the date stated above.

OWNER:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

GENERAL CONTRACTOR:

David Bauer Custom Homes, Inc.  
PO Box 96  
Blanchester, Ohio 45107

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
\_\_\_\_\_, Owner

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
\_\_\_\_\_, Owner

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
David Bauer, President, David Bauer Custom Homes, Inc.

STANDARDS OF A CONSTRUCTION CONTRACT

I. ITEMS INCLUDED IN THE COST OF THE WORK:

1.1 The term Cost of the Work shall mean costs necessarily incurred in the proper performance of the Work paid by the General Contractor. Such costs shall be at rates not higher than the standard paid in the locality of the Work. A bid estimate will be obtained by General Contractor and compared with market estimates, if another bid estimate is needed it will be obtained.

1.2 Wages paid for labor in the direct employ of the General Contractor in the performance of the Work and Wages of General Contractor's personnel when stationed at the field office, in whatever capacity employed including overtime. Personnel engaged, at shops or on the road, in expediting the production transportation of materials or equipment, shall be considered as stationed at the field office and their salaried paid for that portion of their time spent on this Work. Except for additional Work ordered or speculations requested.

1.3 Cost of contributions, assessments or taxes incurred during the performance of the Work for such items as unemployment compensation, workman's compensation, employee insurance, and social security, insofar as such cost is based on the value of labor included in the Cost of the Work.

1.4 The portion of reasonable travel and subsistence expenses of the General Contractor or of his officers or employees incurred while traveling in discharge of duties connected with the Work.

1.5 Cost of all materials, supplies and equipment incorporated in the Work, including costs of transportation thereof, and the cost of electric power and water supplied to the site if the same is billed to the General Contractor.

1.6 Payments made by the General Contractor to or on account of Subcontractors for Work performed pursuant to Subcontractors under this Agreement.

1.7 Cost, including transportation and maintenance, of all materials, supplies, equipment, temporary facilities and hand tools not owned by the workers, which are consumed in the performance of the Work, and cost less salvage value on such items used but not consumed which remain property of the General Contractor.

1.8 Rental charges of all necessary machinery and equipment, exclusive of hand tools, used at the site of the Work, whether rented from the General Contractor or others, including installation, minor repairs and replacements, dismantling, removal, transportation and delivery costs thereof, at rental charges consistent with those prevailing in the area.

1.9 Cost of premiums for all bonds and insurance which the General Contractor is required to purchase and maintain.

1.10 Sales, use or similar taxes related to the Work and for which the General Contractor is liable imposed by any governmental authority.

- 1.11 Permit fees and deposit lost for causes other than General Contractor's negligence.
- 1.12 Losses and expenses not compensated by insurance or otherwise, sustained by the General Contractor in connection with the Work, provided they have resulted from causes other than the fault or negligence of the general Contractor. Such losses shall include settlements made with the written consent and approval of the Owner.
- 1.13 Minor expenses: Cash items in connection with the Work.
- 1.14 Cost of removal of all debris or on site burning thereof.
- 1.15 Costs incurred due to emergency affecting the safety of persons or property.
- 1.16 Other costs incurred in the performance of the Work if and to the extent approved in advance in writing by the Owner, including the cost of all Work Change Orders, except additional cost of materials and or labor caused by price increases and or Owner's specific choices, as delivered.

ITEMS NOT INCLUDED IN THE COST OF THE WORK.

- 2.1 Salaries or other compensation of the general Contractor's personnel at the General Contractor's principle office and branch offices.
- 2.2 Expenses of the General Contractor's principal and branch offices other than field office.
- 2.3 Any part of the General Contractor's capital expenses, including interest on the General Contractor's capital employed for the Work.
- 2.4 Overhead or general expenses of any kind, except as may be expressly included in paragraph 1, above or as per estimate.
- 2.5 Costs due to the negligence of the General Contractor, anyone directly or indirectly employed by him, or for those acts he may be liable, including but not limited to the correction of defective or nonconforming Work, disposal of materials and equipment wrongly supplied, or making good any damage to property.
- 2.6 The cost of any item not specifically included in the items described in paragraph 1, above
- 3. DISCOUNTS, REBATES AND REFUNDS. All cash discounts shall accrue to the General Contractor unless the Owner deposits funds with the General Contractor in advance with which to make payments, in which case the cash discounts shall accrue to the Owner. All trade discounts, rebates and fluids, and all returns from sale of surplus materials and equipment shall accrue to the Owner.

- 4. DUTIES OF THE GENERAL CONTRACTOR. All work to be performed by General Contractor shall be performed in a good and workmanlike manner. General Contractor covenants to furnish it's best skill and judgment and

agrees to furnish efficient administration of the product and to use it's best efforts to furnish at all times an adequate supply of workmen and materials and to perform the Work in the most expeditious and economical manner consistent with the interests of the Owner. If any portion of the Work to be performed by the General Contractor is defective, General Contractor agrees to correct such defective work at it's expense upon written notice of the Owner. If the General Contractor defaults hereunder or neglects to carry out Work in accordance with the Contract Documents, Owner may, without prejudice to any other remedy Owner may have, make good such deficiencies and deduct from the amounts then or thereafter due the General Contractor the costs of correcting such deficiencies.

5. DUTIES OF THE OWNER. Owner shall promptly apply for, or consent to the applications of the General Contractor, for any and all permits or variances that may be required to perform the Work. (General Contractor may assist with the obtaining of permits and other requirements without transferring the liability' of Owner)
6. ESTIMATES. It is understood and agreed that any amounts stated as estimates in the Contract Documents are estimates only, and that the actual cost may be greater or lesser than stated.
7. UNFORSEEN CONDITIONS. General Contractor shall promptly notify the Owner of any sub-surface or latent physical conditions at the site which would materially affect the performance of the Work. Owner will promptly investigate such conditions and correct the same. Any such condition which materially affects the nature of the Work to be performed shall result in a Work Change Order Form being issued to the incorporate the necessary revisions.
8. MATERIALS. It is understood and agreed that the quality of the materials, if specified in the Contract Documents, shall be adhered to by the General Contractor subject to minor deviations which may be occasioned by field conditions and availability.
9. INSURANCE. Unless otherwise provided for in the Contract Documents, Owner shall be responsible to purchase and maintain his own property and liability.
10. PLANS AND DESIGNS. A complete set of plans, designs and specifications referred to herein shall be delivered to the Owner. However nothing contained herein shall prevent the General Contractor from adapting the same to the construction of any other structure.
11. SIGNS. Owner hereby authorizes General Contractor to display a temporary sign at the site identifying the General Contractor and job number for purposes of materials delivery.
12. WEBSITE. Owner hereby authorizes General Contractor to display, on his web site, pictures of the project and comments from the owner regarding the project as testimonials.
13. BIDS. After the plan is finalized, it will be given to Subcontractors and Suppliers in order for them to provide a cost for performing Subcontractors portion of the job. The subcontractors will be held to the bid provided, unless approved in writing by General Contractor and Owner, or if description of job changes. [Work Change Order Form or Email conformation].

ATTACHMENT #3

## CHANGE ORDER

For: \_\_\_\_\_  
\_\_\_\_\_

Change: \_\_\_\_\_  
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\_\_\_\_\_

\_\_\_\_\_, homeowner

\_\_\_\_\_  
Date

\_\_\_\_\_, homeowner

\_\_\_\_\_  
Date

David A. Bauer, President  
David Bauer Custom Homes, Inc.

\_\_\_\_\_  
Date

