

PRE-CONSTRUCTION/DESIGN SERVICES AGREEMENT – Terms and Conditions

This Agreement is made between **RMB Building & Design, LLC**, herein known as the CONTRACTOR and _____, herein known as the OWNER.

1. Consideration:

OWNER agrees to pay the fees for each phase outlined in the pages that follow. OWNER understands that upon completion of Phase I, the fees for Phase II will be determined; and at the completion of Phase II, the fees for Phase III will be determined. OWNER shall approve the scope of work and fees prior to the commencement of any work. OWNER understands that the fees shall apply towards the scope of work outlined in each phase. Under this agreement all plans, designs, and engineering will remain the property of CONTRACTOR. Changes to the scope of work, or the election of optional services will result in additional fees.

2. Conditions Upon Entry Into Construction Contract:

Should OWNER enter into a Construction Contract with CONTRACTOR, the portion of the Fees as identified in each phase shall be applied towards the down payment of the Construction Contract.

3. Conditions If Construction Contract Does Not Result:

Should OWNER decide for any reason not to enter into a Construction Contract with CONTRACTOR, all Fees shall be considered non-refundable payments.

4. Disclosure of Commission Agreements:

OWNER acknowledges that CONTRACTOR will pay a referral/finder fee to real estate agent N/A, if OWNER signs a Construction Agreement with CONTRACTOR.

5. Dispute Resolution:

All disputes arising from this Agreement for Services shall be submitted to an arbitrator, or parties may select one each and these two shall select a third. Reasonable attorney's fees and costs shall be awarded to the prevailing party by the non-prevailing party. Each party signing this Agreement for Services attests that he or she has read the Agreement and understands the meaning of each section. There are no representations or agreements other than what is contained within this document.

OWNER reserves the right to terminate this agreement at any time, but full payment will be due immediately for all work in any phase that has been started.

I agree with the terms and conditions of this Agreement as outlined above.

CONTRACTOR Date

OWNER Date

OWNER Date

PRE-CONSTRUCTION/DESIGN SERVICES AGREEMENT - Phase 1

1. Initial Meeting with OWNER:

CONTRACTOR shall interview OWNER and ascertain project needs. Information that will be gathered includes the project location, home size, desired home configuration, and the OWNER'S budget. Any unique considerations should be discussed at this time. CONTRACTOR shall present the process of custom home construction, house plan design and specifications.

2. Identify Building Site:

CONTRACTOR shall assist OWNER in identifying a building site or visit OWNER'S existing building site to determine the suitability of the lot for the home being contemplated by the OWNER. CONTRACTOR may refer OWNER to a qualified Real Estate Broker/Agent to help locate a building site, if necessary.

3. House Plan Concept:

CONTRACTOR shall assist OWNER in reviewing house plan designs that relate to the OWNER'S needs and lifestyle. These may include existing house plans or the design of a new plan.

4. Range of Construction Costs and Time Schedule:

CONTRACTOR shall take into consideration all aspects of the project discussed in Phase I and review with OWNER the possible ranges of anticipated construction costs and the time schedule required to accomplish all of the above.

5. Financing Options:

CONTRACTOR will introduce OWNER to banks/lenders if needed for acquisition of a lot and/or construction loan.

The following fee shall apply towards Phase I: \$ **0.00** (no charge)

I authorize CONTRACTOR to proceed with Phase I work as described above.

OWNER

Date

OWNER

Date

PRE-CONSTRUCTION/DESIGN SERVICES AGREEMENT – Phase II

1. Conceptual Design Development:

Before design begins, a current tree/topographical survey is required from a licensed engineer. CONTRACTOR can assist OWNER with obtaining this survey. CONTRACTOR will then prepare a 1/8" scale conceptual house plan and preliminary site plan for OWNER'S review. These plans will include a plan view of each floor and a front elevation. The OWNER should make any substantive changes at this stage before the CONTRACTOR proceeds. Charges for this design work will be billed at \$125.00 per hour.

2. Preliminary Design Development:

Upon OWNER approval of conceptual design, CONTRACTOR shall prepare rough 1/4" scale plans that are an expanded version of the conceptual plan. These will include plans of each floor, four (4) elevations, and preliminary wall sections as needed. OWNER will have the opportunity to review these plans once they are complete and may make minor, non-structural changes that involve only minor redraw (e.g., moving a closet, changing door swings, etc.).

3. Architectural Review Committee Preliminary Submittal:

CONTRACTOR shall prepare documentation for submittal to the Homeowner Association's Architectural Review Committee, if applicable. CONTRACTOR shall be available for one Homeowner Association meeting. Additional documentation and meetings shall be billed at the hourly rates described below in the table titled "Hourly Rates".

4. Prepare Preliminary Specifications:

CONTRACTOR shall work with OWNER to prepare preliminary general specifications that describe the quality of products that shall be used in construction.

5. Selection Process:

CONTRACTOR shall set up appointments for the OWNER with Trade Contractors and/or suppliers to make product selections and determine the interior design concept. CONTRACTOR can recommend professional interior designers at OWNER'S request.

6. Cost Estimating:

Prepare a preliminary estimate based on the information provided in Phase II. This estimate is generally only as accurate as the information provided by the OWNER. Although this estimate may change as further information and detail is generated, it will be an indication as to the direction the costs are going.

The following deposit shall apply towards Phase II: \$ _____.00.

The final charge for conceptual design development (Phase II.1) will be determined at the start of Phase III.

Changes to the scope of work or the election of optional services will result in additional fees as follows:

Hourly Rates: Principal= \$150.00/hour; Design Services= \$125.00/hour; Office Staff/Drafting= \$75.00/hour.

This Agreement does NOT include the following services, which will be billed at Cost plus 18% Markup:

Tree/Topo Survey	Impact Fees	Loan Processing Fees
Septic Design	Association Fees	Structural Engineering
Storm Water Design	Landscape Architect	Model Building/Renderings/Illustrations
Outside Consulting Services	Soils Report/Geotech Analysis	Wetlands Analysis

I authorize CONTRACTOR to proceed with Phase II work as described above.

OWNER

Date

OWNER

Date

PRE-CONSTRUCTION/DESIGN SERVICES AGREEMENT – Phase III

1. Final Construction Drawings:

CONTRACTOR shall coordinate the completion of 1/4" scale detailed working house plans. These plans shall include:

Site plan.	Building and wall sections.
Foundation/basement plan.	Roof plan.
Floor plans.	Electrical floor plans.
Front, side, and rear elevations.	

2. Structural Engineering:

CONTRACTOR shall coordinate the completion of structural engineering if required.

3. Architectural Review Committee Final Submittal:

CONTRACTOR shall submit final plans to the Homeowner Association's Architectural Review Committee, if applicable. CONTRACTOR shall be available for one Homeowner Association meeting. Additional documentation and meetings shall be billed at the hourly rates described below in the table titled "Hourly Rates". Final approval from the Committee is required before a final cost estimate can be completed.

4. Final Specifications and Cost Estimate:

CONTRACTOR shall meet with OWNER to finalize the General Specifications and Cost Estimate details. CONTRACTOR will verify and adjust (if necessary) all pricing and specifications. OWNER understands that there may be price adjustments due to jurisdictional requirements and specification changes.

5. Prepare Bank Appraisal Package:

CONTRACTOR shall prepare and submit the bank appraisal package, if needed.

6. Other Considerations:

CONTRACTOR guarantees that plans generated under this Agreement will be correct and any costs resulting from omissions or errors in the plans will be absorbed by the CONTRACTOR as long as the CONTRACTOR builds the house. These plans and specifications have been created by the CONTRACTOR for the sole use of the CONTRACTOR, are copyrighted, and will remain the property of the CONTRACTOR. They are not for use by the OWNER to build the project or for the use of any other contractor for any purpose. The OWNER absolves the CONTRACTOR of any responsibility for the completeness or accuracy of these plans if the project is not built by the CONTRACTOR.

The following fees shall apply towards Phase III:

Design services are \$3.75 sq.ft. of house area under roof, _____ sq.ft. = \$ _____,
less Phase II Deposit of \$ _____, leaves \$ _____ due. \$ _____
The conceptual design fee is _____ hours @ \$125.00/hour = \$ _____ due. \$ _____
Total Amount Due \$ _____

Changes to the scope of work or the election of optional services will result in additional fees as follows:

Hourly Rates: Principal= \$150.00/hour; Design Services= \$125.00/hour; Office Staff/Drafting= \$75.00/hour;
Client Coordinator= \$75.00/hour.

This Agreement does NOT include the following services, which will be billed at Cost plus 18% Margin:

Tree/Topo Survey	Impact Fees	Loan Processing Fees
Septic Design	Association Fees	Structural Engineering
Storm Water Design	Landscape Architect	Model Building/Renderings/Illustrations
Outside Consulting Services	Soils Report/Geotech Analysis	Wetlands Analysis

I approve the Design Drawings from Phase II. I authorize CONTRACTOR to proceed with Phase III work as described above.

OWNER

Date

OWNER

Date