



November 28, 2012

Sample

CONSTRUCTION SERVICES GMP PROPOSAL FOR YOUR HOUSE

This proposal is a general summary of construction services, and will become our contract, if you accept. Included items are shown below.

- 1. Services needed to construct the described project. Checked boxes apply. Items not listed or not checked are not included.
x Construction management
x Coordinate bankers, building dept, others
x Coordinate subcontractors & material suppliers
x Meet with owners on weekly or other regular basis
x Prepare construction schedule, modify as needed, and maintain
x Keep construction on schedule
x Establish an on-site construction management office
x Maintain quality control per the drawings
x Prepare project budget and modify scope to fit owner's needs
x Finalize the budget and organize into schedule of values format
x Maintain detailed cost records & show if requested
x Collect & review all invoices for inclusion in billing
x Maintain a record of approved owner changes & contingency costs
x Submit timely billings which summarize all cost info to date
x Construct shell only
- Construct shell and finishes
2. GMP stands for "Guarantied Maximum Price". This contract is the same as a fixed price except that the contract amount is a maximum instead of a fixed amount.
3. As a protection against budget excesses, for scope shown on the drawings but not included in the budget, LDC maintains a contingency to compensate for under/over budget items.
4. For cost saving ideas suggested by LDC and approved by the owner, the savings amount shall be split 30% to LDC and 70% to owner.
5. Additional scope items, beyond those shown on the drawings, are available by cost plus or lump sum proposal.
6. The standard fee for the work is 10% of gross billing submitted.

DESCRIPTION OF THE WORK

The work is a new detached accessory dwelling and garage and an addition to the house at the above address(s), and further described in detail on the drawings, the schedule of values, and the budget.

MAXIMUM COST OF THE WORK

Monthly billing as progress warrants, .....\$.

TERMS

- 1. This contract is a summary based on AIA Document A102-2007.
2. In addition to this document, the drawings, the budget, the schedule of values, and all correspondence issued after the contract date, are a part of this contract.
3. The contractor may stop work if bills are not paid when due.
4. In the event of a dispute, the parties will attempt to resolve their differences thru mediation if the amount is \$7,500 or more.
5. If this contract is terminated by the client for reasons other than non-performance, the contractor shall be owed fees earned to date plus 25% of the remaining direct overhead (Div 1) balance.
6. The contractor carries liability insurance in the amount required by Colorado law.
7. The contractor also carries workman's compensation insurance in the amount required by Colorado law.
8. The client is responsible for timely response to the contractor's questions.
9. This is a private transaction. All communication between LDC and the client is 100% confidential unless requested otherwise.
10. During construction, the client grants permission to place a 24" sq sign on the property showing LDC's phone number and web site address.
11. Email or fax signatures are accepted for all approvals regarding this contract.

If you are comfortable with this form of agreement, please sign below and provide one original to LDC.

client date client date

Signature of Steve Culbertson
Steve Culbertson Steve@Landmarkk.com