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AGREEMENT TO REMODEL HOME

This Agreement to Remodel Home ("Agreement") is made this _____ day of _____, 20____., by and between _____, whose mailing address is

_____ (hereinafter referred to for simplicity in the singular as "Owner", even if more than one, and without limiting the joint and several obligations created hereunder), and _____ a homebuilder, and Remodeler and a(n) _____ (insert type of entity if other than an individual) having an office and place of business located at _____ (referred to herein as the "Remodeler" or alternatively referred to in various documents as "Contractor" "Builder", "Seller" or "Supplier"). Remodeler is further defined as "Supplier" within the meaning of Ohio Revised Code ("ORC") §1345.01 and a "Residential Contractor" under ORC § 1312. Owner and Remodeler are referred to hereinafter singularly as "Party" and jointly as "Parties."

BACKGROUND INFORMATION

I. Owner desires to remodel part of the home, construct an addition, or improve the property commonly known as, ("the Premises" or "the Home") _____ (insert address or similar description of real estate).

II. Owner has contracted with Remodeler to provide construction services and/or other services as indicated:

Such services are referred to herein as the "Project" or the "Work", with these terms being used interchangeably, and as defined by the Plans and Specifications and Excess Costs/Change Orders described below.

1. PERFORMANCE OF THE WORK

A. The Work. Remodeler agrees to perform and furnish all labor, supervision, materials, equipment, tools, scaffolding, machinery, transportation, and supplies necessary to perform the Work under Construction Representations defined in Section 2 below and as described in the Plans and Specifications (attached hereto as Exhibit "A"), according to the estimate dated the _____ day of _____, 20____. Owner acknowledges that Remodeler's ability to meet the approximated project completion date of _____ and the project/construction schedule as described in the attached Exhibit "B" will be directly affected by any Excess Costs/Change Order(s) requested by Owner, Owner's failure to timely select any options not specified within the Plans and Specifications, and/or Owner's interference with the construction process itself. The construction schedule shall also be impacted and adjusted accordingly by the actual date of construction commencement, which is estimated to be the _____ day of _____, 20____. Further, Remodeler shall not be liable for any delay in the commencement or completion of construction caused by the above or by weather, fire, or other casualty, or act of God, nor shall Remodeler be liable for any delay in the commencement or completion of the construction caused by governmental control, inability to obtain materials or supplies, or other regulations, restrictions, or conditions over which Remodeler has no reasonable control.

Delays in construction are hereinafter sometimes collectively referred to as "Excused Construction Delays." Remodeler shall not be obligated to make, provide, or compensate Owner for alternative housing accommodations necessary as a result of Excused Construction Delays. Nor shall Remodeler be liable for any other losses or damages, of any kind whatsoever, to Owner arising as a result of such delays, including but not limited to, increased loan costs, inspection or reinspection fees, additional interest carry or increased interest rates arising or associated with Excused Construction Delays. To the extent there is a delay occasioned because of the non-availability of goods or materials, and such delay exceeds eight (8) weeks from the date ordered by Remodeler, Buyer acknowledges that they may elect one of the following options per OAC § 109:4-3-09: 1) Buyer may receive a full refund for the cost of the good or material, if Buyer requests such refund in writing; or 2) Remodeler may furnish similar goods or materials of equal or greater value, subject to Buyer's written agreement.

Construction shall be deemed complete ("Substantial Completion") upon the earlier of the approval of the final inspection of the Work by the applicable building authority, or the approval of the Project by the Owner. Owner hereby agrees that Remodeler's failure to complete minor, punch-out items shall not be grounds to withhold final payment from the Remodeler.

2. CONTRACT PRICE

A. Contract Price Owner shall pay Remodeler for performance of the Work, subject to additions and deletions as herein provided the sum of _____ Dollars (\$ _____), not including Excess Costs/Change Orders. The Contract Price shall be due and payable as follows as set forth in Subsections B, C, and D of this Section.

B. Payment of Contract Price

1. Depositions shall be due and payable as follows: _____ Dollars (\$ _____) initial deposit due upon execution of this Agreement (the "Initial Deposit"). Remodeler retains the right to use the Deposit for construction or other purposes, and Owner acknowledges that the Deposit shall not be subject to any escrow, trust, or security agreement, nor shall interest accrue thereon. This Agreement shall serve as the receipt for the deposit required under Ohio Administrative Code 109:4-5-07.

C. Any additional costs in accordance with OAC 109:4-3-7(B)(6) not included in the above estimated contract price include the following: (Not applicable if not filled in.)

The Parties acknowledge the Contract Price as referenced in the Agreement has been calculated by the Remodeler in part based upon current market prices for materials. Materials may include but not be limited to lumber, drywall, joists, nails, insulation, trim, concrete, framing items, brick, stucco, carpet, tile, doors, steel and all other items whether natural or non-natural that comprise the Work. The Parties acknowledge that costs of such materials may be somewhat volatile and may increase based upon unforeseen and uncontrollable market factors. In the event a cost increase is necessitated by increased materials costs, Remodeler shall comply with the change order procedure specified in the Agreement.

D. The remainder of the Contract Price shall be paid as follows and the below shall serve as a written receipt of the remaining amount due following each Progress Payment:

Dollar Amount	Status of the Work
\$ _____	_____

\$ _____
\$ _____
\$ _____
\$ _____

3. INDEPENDENT CONTRACTOR. Owner and Remodeler agree that Remodeler is serving as an independent contractor under this Agreement and that all employees, laborers, and subcontractors employed by Remodeler in connection with performing the Work, except as provided herein, shall be the employees or agents of and the responsibility of Remodeler. Owner agrees that it will refrain from directing the work of Remodeler's employees, subcontractors, and/or vendors in any way, without the express, written consent of Remodeler. Remodeler shall be responsible for satisfying all state and federal employment laws and regulations with respect to such employees, laborers, and subcontractors hired by Remodeler, including without limitation all applicable income tax withholding requirements, social security withholding requirements, unemployment compensation premiums, workers compensation premiums, fair labor standards laws, employment discrimination laws, civil rights laws, and occupational safety laws. In executing this Agreement, the Owner hereby specifically recognizes and defers to Remodeler's knowledge, expertise, qualifications, experience, background and training in the residential building industry in all building and construction matters relating to this Agreement. This shall include but shall not be limited to matters relating to building code interpretation, manufacturers' recommendations for installation methods, local construction industry standards and any necessary repair protocols under the Limited Warranty Agreement executed between Owner and Remodeler. Parties.

Upon the Premises, neither Owner nor its agents shall unreasonably interfere with, restrict, interrupt, harass, or obstruct construction or its progress in any manner. This provision shall apply to any remedial or repair work on the Home, performed under the Limited Warranty Agreement or otherwise. Any violation of this provision by Owner, and/or interference by Owner's subcontractors and/or materialmen, shall waive Remodeler's responsibility for failing to meet the construction schedule and completion delivery as originally agreed to by the Parties under this Agreement. The Parties agree that only the signatories of this Agreement have rights and responsibilities outlined herein and the Owner's rights are personal in nature and not transferable, assumable, or assignable without the express written consent of the Remodeler. No other Party shall assert contract rights, interfere, direct work, or assume any other of the Owner's rights. In the event that such interference occurs, Remodeler shall notify Owner of the same and if Owner fails to immediately cause the interference to cease, Remodeler may, at Remodeler's option undertake such action as is necessary to restrain third parties from such interference or declare a breach of this Agreement, in which event the Remodeler shall be entitled to such remedies as are set forth herein.

4. SELECTION OF SUBCONTRACTORS AND MATERIAL SUPPLIERS. In the event Owner selects and/or requests that Remodeler utilize the services or acquire materials from a particular subcontractor and/or materialmen, or in the event Owner elects independent of this Agreement to utilize the services or acquire materials from a particular subcontractor and/or materialmen, and in the event Remodeler consents to the same, then Owner by such request or action specifically waives any warranties, delays, responsibilities, or liabilities against Remodeler which may arise as a result of the use of such subcontractor and/or materialmen, and the portion of the Work and/or materials completed or supplied by such subcontractors and/or materialmen. In such event, Owner shall be responsible for (and shall require each such subcontractor and/or materialmen to be responsible for) obtaining all licenses, permits, and inspections associated with the portion of the Work completed by such subcontractors and/or materialmen, and maintaining liability insurance and benefit coverages (i.e., workers compensation coverages, unemployment compensation coverages, etc.) relating to such subcontractor and/or materialmen. To this end, Owner further releases, discharges, indemnifies and agrees to hold Remodeler and its employees, subcontractors and materialmen harmless from any and all claims, costs (including attorney fees and other professional fees), liability, or damages arising as a result of the failure of Owner (or Owner's subcontractors and/or materialmen) to comply with the obligations of this Section. Further, during the period such subcontractors and/or materialmen are working at the Premises or on the Project, and thereafter

upon completion of the portion of the Work undertaken by such subcontractor and/or materialmen, Owner shall be responsible for obtaining and shall require such subcontractor and/or materialmen to provide appropriate lien waivers attesting to the amount of the Work so completed, the number and names of sub-subcontractors, laborers, or other materialmen utilized, and the amount of monies received from the Owner for such Work to date. The terms and conditions of this Section are intended to be applicable notwithstanding whether or not the subcontractor and/or materialmen receive the compensation due them directly from Owner, or indirectly from Owner by virtue of the payment of the same through Remodeler.

5. INSURANCE. Remodeler shall maintain workers' compensation insurance for its employees. Remodeler shall also maintain so-called "Builders Risk" insurance for the work in the full amount of the Contract Price and charge the cost of this coverage to the Owner. Owner shall maintain fire, extended coverage, and general liability insurance for the portion of the Premises which is not the subject of the Work. Owner shall ensure that the company issuing the fire, extended coverage, and general liability insurance for the balance of the Premises (excluding the Work) shall waive any rights of subrogation against Remodeler, and/or name Remodeler as an "additional insured" thereunder, or if Owner cannot accomplish the same, then Remodeler may at Remodeler's option obtain at Owner's cost the so-called "Builders Risk" insurance for the Work..

6. LIMITED WARRANTY. Upon completion of the Project, Remodeler will provide to Owner a limited warranty as set forth in Exhibit _____ attached hereto. The Limited Warranty Agreement is made part of this transaction, and represents an independent contract with separate and sufficient consideration exchanged between the parties. Owner approves and accepts the form of such Warranty by the execution of this Agreement and the Limited Warranty Agreement. In so accepting, Owner acknowledges that in order for Remodeler to perform warranty service, Owner must fully cooperate with Remodeler's Right to Cure as defined in the Limited Warranty Agreement and efforts to resolve alleged defects and warranty service claims, including providing access to the home during normal business hours and at reasonable times, and allowing ongoing access and service attempts when problems are difficult to pinpoint, diagnose, and finally address without several attempts. Further, upon receipt of the final payment due hereunder, Remodeler will deliver, assign, and transfer to Owner all appropriate manufacturer's warranties on appliances and equipment installed by Remodeler in the Premises or other available manufacturers' warranties on any of the materials or supplies incorporated into the Project. Remodeler's limited warranty referenced above shall not cover those appliances, equipment, or consumer products which have separate warranties provided by manufacturers or suppliers and are assigned to Owner by Remodeler on or after the date of closing. Owner is hereby notified that service or warranty work, if any, performed on items where a manufacturer's warranty is effective shall not be performed by the Remodeler. THE WARRANTIES PROVIDED PURSUANT TO THE APPLICATION OF THIS SECTION SHALL BE THE SOLE EXPRESS WARRANTIES PROVIDED BY REMODELER TO OWNER RELATIVE TO THE WORK.

7. RADON, MOLD, AND OTHER ENVIRONMENTAL POLLUTANTS. Radon is a naturally occurring phenomenon. According to some experts, exposure to elevated levels of radon for a sufficient period of time can increase the risk of cancer. As a result of natural geological conditions, some areas may pose a greater risk than others. The U.S. Environmental Protection Agency, state and local environmental authorities and certain private testing laboratories are best equipped to render advice regarding the risk which may exist in a particular area, the risks associated with radon exposure, methods available to detect and measure radon levels, and appropriate measures, if any, which may be taken in the particular circumstance to reduce the possible risk to radon exposure. Mold, fungi, bacteria, and other similar micro-organisms ("Organisms") commonly exist in homes (and may be found in the Home being remodeled under this Agreement) because of rain, humidity, and other moisture in the home and on materials delivered to the home site and installed during the course of remodeling and construction.

Owner acknowledges: (i) Certain areas in central Ohio have a relatively high incident of elevated radon gas levels and that Organisms exist in every environment, indoors and outside; (ii) Owner has been advised by Remodeler that it may be in Owner's best interest that Owner become informed about radon gas, Organisms, and other environmental pollutants found in homes and the measurement or reduction of radon, Organisms or other environmental pollutants, or the risks associated with exposure thereto; (iii) there can be no assurance that any system, device, or method incorporated into the Home for the purpose of reducing Organisms or other environmental pollutant levels will be effective as such relate to the persons that comprise Owner

and those who may reside at the home with Owner, and that accordingly, Remodeler shall have no responsibility therefore, unless set forth otherwise herein; (iv) Remodeler makes no warranty, either express or implied, regarding the presence of radon gas, Organisms, or other environmental pollutants in or about the area of the Home being remodeled or constructed hereunder, nor does Remodeler have any knowledge of special health conditions of any persons that comprise Owner or of those who may reside in the Home with Owner; (v) in the event any person that comprises Owner, or any person who may reside with Owner in the Home, shall have special medical conditions which are known to Owner or become known to Owner which may adversely affect such person or persons who may reside in the Home, Owner should consult, at Owner's cost, with appropriate medical authorities concerning the habitation of the Home being remodeled under this Agreement. Any testing, remediation, or system desired by Owner shall be at Owner's expense and risk, unless specified otherwise herein, unless Remodeler agrees to cure an alleged issue pursuant to this Agreement and/or in the Warranty Agreement executed between the Parties and specifically agrees in writing to cover such items.

8. LEAD PAINT. Federal law establishes requirements to minimize the risk of exposure to lead-based paint during renovation, repair, and painting ("RRP") of residences and other child-occupied facilities built prior to 1978. Remodeler has provided Owner with a USEPA information pamphlet: Renovate Right: Important Lead Hazard Information for Families, Child Care Providers and Schools (or any updated version of pamphlet subsequently issued by USEPA). Owner's execution of this contract, along with the execution of separate initial lines on page 5, provide Owner's acknowledgment that Owner received the RRP pamphlet. If the Premises were built prior to January 1, 1978, federal law requires a determination of whether lead-based paint is present in any area to be disturbed within the scope of the remodeling project. If lead-based paint is present, it must be managed prior to or during the project, consistent with USEPA requirements. Accordingly, in the event the Premises were built prior to January 1, 1978, Owner and Remodeler agree that one of the following options will be implemented to assure compliance with USEPA requirements:

- Option 1. Owner shall provide Remodeler with certification acceptable to Remodeler that no lead-based paint is present in the area to be disturbed. Remodeler will not begin work in the Premises until Owner provides acceptable certification.
- Option 2. Prior to the initiation of the Project, Owner shall independently contract with a third party certified under the USEPA Lead RRP program to abate the presence of lead-based paint in the area affected by the Project. Owner shall provide Remodeler with documentation consistent with the USEPA RRP program confirming that lead-based paint has been removed and that the Project area has been cleaned consistent with applicable requirements.
- Option 3. Remodeler shall, at Owner's sole cost and expense, retain the services of a Certified Lead Paint Assessor, to determine if lead-based paint is present the area to be disturbed. If lead-based paint is present, Remodeler shall, at Owner's sole cost and expense, complete the Project consistent with the RRP standards, including the use of a lead-safe certified firm to remove, manage, and dispose of lead-based paint structures and debris. Remodeler shall provide documentation to Owner consistent with the RRP requirements.

If Owner certifies that the Premises do not contain lead-based paint, but it is subsequently determined that lead-based paint is present, Remodeler may stop providing construction services as set forth herein. Owner shall provide, at Owner's sole cost and expense, (i) for the removal of such lead-based paint consistent with USEPA RRP requirements; and (ii) the construction schedule should be adjusted accordingly to provide the estimated completion date is delayed by the number of days equal to the number of days Remodeler is delayed from performing construction services as set forth herein. In the event the Remodeler is delayed thirty (30) days or more, Remodeler shall have the right to terminate this Agreement and be paid its cost associated with any construction services provided to the date of last performance, plus a 15% administrative fee.

Owner and Remodeler agree that Owner will proceed consistent with Option ___ above.

Owner(s) Initials _____

9. REMEDIES IN THE EVENT OF DEFAULT. The following occurrences shall constitute events of default under this Agreement:

- A. Owner fails to pay any Progress Payment as it becomes due;
- B. Remodeler fails to timely satisfy or bond-off a mechanic's lien; and

C. A party fails to perform any other duty or obligation undertaken herein within ten (10) days after receipt of written notice thereof from the other Party.

D. In the event of a default by Owner, Remodeler shall, in addition and without limitation to all of the rights and remedies at law or in equity available to Remodeler, at the sole option of Remodeler, be entitled to elect one or more of the following remedies:

(i). In the event the start of remodeling has not occurred:

(a) To retain the deposit as liquidated damages, it being agreed to by the Parties that the actual damages which would be sustained by Remodeler would be difficult or impossible to ascertain as of the date of execution of this Agreement, that the amount of the proposed liquidated damages are reasonable and not so disproportionate as to constitute a penalty, and that the same is fair and equitable; or

(b) To apply the deposit on the account of Owner and proceed with an action at law or in equity for damages for breach of contract.

(ii). In the event the Start of Construction has occurred:

(a) Remodeler may at its option continue to work toward the completion of the Work, and be entitled to receive Progress Payments when due from Owner without the actions of Remodeler in continuing toward the completion of the Work acting as a waiver of any rights or remedies which Remodeler may have under this Agreement, at law or in equity, and without such actions otherwise being deemed as an admission by Remodeler of any liability or any continuing obligation to complete the Work. To this end, Remodeler may at Remodeler's sole option and discretion elect at any time thereafter to discontinue Remodeler's efforts to complete the Work as described herein and avail itself of any other right or remedy to which Remodeler may have under this Agreement, law or in equity, including but not limited to the rights of Remodeler to cease any further efforts to complete the Work as described in sub-paragraph (ii)(b) below.

(b) Remodeler may cease any further efforts to complete the Work and remove all of Remodeler's and Remodeler's subcontractor's and materialmen's tools, materials, and supplies from the Premises as more specifically provided under this Agreement, and upon undertaking such action Remodeler shall be entitled to immediately receive payment in full for all Work completed through the date Remodeler discontinued efforts to complete the Work, including but not limited to, any and all monies due and payable to subcontractors and/or materialmen of Remodeler. Further, Remodeler shall be entitled in addition thereto to receive four percent (4%) of the Progress Payments remaining due and payable under the Agreement as liquidated damages, it being agreed to by the Parties that the actual damages which would be suffered by Remodeler would be difficult or impossible to ascertain as of the date of execution of this Agreement, that the amount of the proposed liquidated damages are reasonable and not so disproportionate as to constitute a penalty, and that the same is fair and equitable, and this is the intention of parties under this Agreement.

E. Notwithstanding whether or not the Start of Construction has occurred, Owner shall be responsible for any and all damages arising as a result of such default, including but not limited to direct, indirect, consequential, and/or incidental damages. To this end and without limitation Remodeler shall be entitled to recover from Owner as an element of the damages incurred by Remodeler the reasonable attorney fees and other professional fees, including the fees of expert witnesses, incurred by Remodeler as a result of such default.

F. Interest shall accrue on any sums arising as a result of the application of this paragraph as of the date such monies were first due and payable at a rate equal to the Prime Rate as published in the Wall Street Journal on the first business day of each month plus four percent (4%) per annum.

G. If Remodeler fails or refuses to perform Remodeler's obligations under this Agreement, if such default is substantial and material and does not fall within the provisions allowed under this Agreement, and if such default continues for ten (10) days after written notice of the default from Owner, then Owner shall be entitled to terminate this Agreement and to receive the return of the Deposit made by Owner hereunder, subject to payment for any Work which was completed prior to such termination.

H. Nothing in this Section shall be interpreted as limiting the Owner's or Remodeler's specific rights and responsibilities as provided in ORC 1312. For a violation of an act prohibited under ORC §1345.02, 1345.03, and/or 1345.031, Owner may rescind this Agreement under certain circumstances or recover the Owner's actual economic damages plus an amount not to exceed Five Thousand Dollars (\$5,000.00) in non-economic damages. Any action for rescission must occur within a reasonable time after Owner discovers or should have discovered the grounds for it and before any substantial change in condition. For a violation of any rules adopted under 1345.05(B)(2), or where an act or practice is determined by a court of the state of Ohio to violate § 1345.02, § 1345.03, or §1345.031 of the Revised Code and is committed after the decision is made available for public inspection under §1345.04(A)(3), the Owner may rescind the transaction or recover, but not in a class action, three times the amount of the Owner's actual damages or two hundred dollars, whichever is greater, plus an amount not exceeding five thousand dollars in noneconomic damages or recover damages or other appropriate relief in a class action under Civ.R. 23. A court may award reasonable attorney's fees to the prevailing party if Owner brought an action that is groundless and in bad faith, or if Remodeler knowingly committed an act or practice in violation of acts prohibited under ORC § 1345.

10. CONSTRUCTION REPRESENTATION/WORKMANSHIP/ORC 4722 REQUIREMENTS. Construction of the Work shall be done in a workmanlike manner as defined by Ohio law and with all local, state, and national codes having jurisdiction over the Premises, and shall substantially conform to the Plans and Specifications, allowing for minor deviations occasioned by expediency, practicality, and the availability of labor and materials provided. To the extent materials are substituted, such materials shall be of equal or greater value and shall constitute a good faith substitute in accordance with OAC §109:4-3-09. Remodeler agrees not to deviate from the Plans and Specifications without first notifying Owner of the same. Upon notifying Owner of a deviation from the Plans and Specifications, in the event Owner does not thereafter notify Remodeler of Owner's objection to the same in writing within seventy-two (72) hours, Owner shall be deemed to have agreed to the same. Further, Remodeler expressly reserves the right to make such modifications, additions, or deletions to the Plans and Specifications as may be required by a mortgagee which holds a mortgage upon the Premises, or as may be necessary to meet any applicable federal, state, city and local building or zoning code requirements. [These items being further defined as "Excused Construction Delays" as provided in Paragraph (1.)] The costs of any changes arising as a result of the requirements of any mortgagee holding a mortgage upon the Premises, or as are necessary to comply with applicable laws, codes and rules as described in this section, shall be governed by Paragraph (11) below and paid by Owner. In the event that a substantial physical modification or deviation from the Plans and Specifications is necessary due to soil or other lot conditions (building setback lines, easements, developer or utility requirements, etc.), Remodeler may, at its option, elect to terminate this Agreement and refund to Owner the Deposit, as such term is hereafter defined, subject to the adjustments hereafter described, in which case all Parties hereto shall be relieved of any further obligations hereunder. Notwithstanding the foregoing, should the Owner and Remodeler decide a construction standard, specification or tolerance is desired that is equivalent to, or superior than those set forth in the applicable building Code such variance shall be documented and agreed to through a separate addendum or addenda executed by both Parties, and attached hereto and incorporated into this Agreement. In addition, it is noted that Ohio law covers a limited number of construction tolerances and items, and the Parties may also agree and define other construction standards or tolerances as meeting the "good and workmanlike" or "workmanlike" manner for construction performance on their own terms and through separate addenda. In accordance with R.C. §1345.11, if Remodeler's violation of the workmanlike manner was because of a bona fide error, notwithstanding maintenance procedures reasonably adopted to avoid the error, Owner may not recover any damages against Remodeler. A bona fide error may include minor deviations in required tolerances, incorporation of standards

that are customary to the area wherein the Work is being performed that do not result in substantial damage to the Premises, and reasonable reliance by the Remodeler on representations of Remodeler's subcontractors regarding use and observance of the standards set forth in the applicable building code.

11. WRITTEN CHANGE ORDER PROCEDURE.

Change Order Procedure: Prior to completion of the Work and except as further described under this Agreement, no alteration shall be made to the Plans and Specifications without the prior written approval of Remodeler and Owner. If Owner requests changes to the Plans and Specifications, Remodeler shall prior to commencing the alteration submit to Owner a written proposal and cost estimate or credit associated with the completion of such alteration. If Owner approves such proposal, the same shall be documented in writing and constitute a Change Order (the "Change Order") and the Contract Price, Scheduled Completion Date and the Work to be performed hereunder shall be amended accordingly, and such alterations shall thereafter be completed by Remodeler in accordance with the requirements of this Agreement. If Owner does not approve such proposal, Remodeler shall not be obligated to construct such alterations. Owner shall pay in full for the cost of any Excess Cost/Change Order at the time of approving such proposal unless otherwise mutually agreed by Owner and Remodeler; provided; however, in no event shall the payment for such Change Order be made later than at the time the next Progress Payment is made. If more than one Owner has executed this Agreement, each Owner specifically authorizes the other Owner to execute Excess Costs/Change Orders, and each Owner agrees that he/she is jointly and severally liable for any Excess Costs/Change Orders executed by the other Owner.

12. PERMITS. Owner hereby acknowledges that Remodeler has obtained or will obtain the necessary permits from applicable building authorities necessary in order to provide the services set forth in this Agreement. However, the preceding sentence shall apply only to the review of construction plans, building permits, and inspections necessary for the construction process. Any zoning, variance, historic reviews, appeal process, neighborhood design review, developer design review, or any other review outside of the construction process shall be the responsibility of the Owner. Owner hereby acknowledges that any and all costs associated with obtaining permits necessary to provide the construction services set forth in this Agreement are at Owner's expense.

13. UNFORESEEN CONDITIONS. Owner acknowledges that should unforeseen and/or concealed conditions, including, but not limited to, the presence of mold, asbestos, other environmental and health hazards, code violations, substandard previous construction, and/or structural problems be encountered in the performance of the Work as described herein and the same are in conflict with the Plans and Specifications set forth in Exhibit "A", that Remodeler shall notify Owner, either orally or in writing, of such condition and the same shall be addressed, remediated, eliminated, or adjusted at Owner's cost and expense and/or treated as an Excess Cost/Change Order herein before Remodeler performs any related work. Such unforeseen conditions or such delays shall extend the contract delivery date or estimated project completion date by the same amount of time that becomes necessary to address such issues.

14. OWNER'S DISTURBANCE. Owner hereby acknowledges that Remodeler is providing such construction services to the Premises where Owner resides, and that Owner intends to reside or continue to reside in the Premises during such time as Remodeler is providing construction services to Owner. Owner hereby acknowledges that during construction it may be necessary for Remodeler to create and make loud and disturbing noises and generate dust and debris in order to complete the renovations set forth in the Plans and Specifications. Remodeler hereby agrees to use reasonable efforts to minimize disturbances to Owner.

15. OWNER'S USE OF ARCHITECT/ENGINEER; EFFECT ON LOCAL CODE/INDUSTRY STANDARDS. In the event Owner retains (or has retained) an architect to provide or modify the Plans and Specifications and/or an engineer to seal or certify the Plans and Specifications, Remodeler assumes no responsibility to assure that the Plans and Specifications are drawn or written by the architect, or as sealed or certified by the engineer (as applicable) in accordance with industry standards, applicable laws, statutes, or local building code requirements or regulations. To this end, notwithstanding any terms or conditions of this Agreement to the contrary, Remodeler shall not be liable for any costs, expenses or damages arising to Owner in the event such

Plans and Specifications fail to comply with applicable laws, ordinances, codes and regulations and/or industry standards provided Remodeler completed the work in accordance with such Plans and Specifications.

16. WAIVER BY OWNER INDEMNIFICATION OF REMODELER. In the event the Owner defaults and Remodeler voluntarily leaves the job in accordance with applicable sections of this Agreement, or in the event Owner orders Remodeler to stop work, or otherwise removes Remodeler from the job, then Owner waives any claims for subsequent damage to the Premises, including but not limited to damage from the natural elements, damage from third parties arising because of Work in progress not being adequately secured or protected. In addition, Owner agrees to indemnify, defend, and hold Remodeler harmless from any costs, expenses, (including attorney fees, and other professional fees) liabilities, or damages arising as a result of Remodeler's pre-existing contractual arrangement with any subcontractor or materialmen. This Paragraph shall not apply where the Remodeler is in default as set forth in Paragraph 9.

17. LIENS. Provided Owner makes all payments when due hereunder, Remodeler shall maintain the Premises free of all mechanic's liens for labor or materials furnished pursuant to this Agreement. Notwithstanding the aforementioned, Owner agrees that Remodeler shall be entitled to negotiate for the removal of any such lien with the lienholder responsible therefore; provided, however, that within sixty (60) days after Owner notifies Remodeler that a mechanic's lien has been filed, Remodeler either:

- A. shall remove such lien by payment of, or bonding off at Remodeler's expense, or
- B. shall pay into escrow with an agent mutually selected by Remodeler and Owner a sum equal to the amount of such lien.

Notwithstanding the above provisions, Owner shall be liable for the cost of removing any liens filed against the Premises as a result of Owner's failing to make timely payments or Owner's otherwise interfering or delaying the progress of the Work performed pursuant to this Agreement.

18. RIGHT TO REMOVE MATERIAL AND TOOLS. Notwithstanding any other language in this Agreement, in the event Owner orders Remodeler off the job, or in the event as a result of the default of Owner, Remodeler voluntarily leaves the job in accordance with this Agreement (or other applicable law), Remodeler reserves the right, and Owner agrees to allow Remodeler and Remodeler's subcontractors and materialmen to visit the home to retrieve tools, equipment, uninstalled materials, and supplies which are the property of Remodeler and/or Remodeler's subcontractors and materialmen. Remodeler agrees not to remove any uninstalled materials and supplies for which Remodeler has already been paid by Owner pursuant to this Agreement.

19. PROCEDURE IN CASE OF DISPUTES AND REMODELER'S RIGHT TO CURE. Remodeler hereby provides notice to Owner that ORC §1312 provides for the Remodeler's Right to Cure construction defects prior to Owner's commencement of legal action:

OHIO LAW CONTAINS IMPORTANT REQUIREMENTS YOU (OWNER) MUST FOLLOW BEFORE YOU MAY FILE A LAWSUIT OR COMMENCE ARBITRATION PROCEEDINGS FOR DEFECTIVE CONSTRUCTION AGAINST THE RESIDENTIAL REMODELER WHO CONSTRUCTED YOUR HOME. AT LEAST SIXTY DAYS BEFORE YOU FILE A LAWSUIT OR COMMENCE ARBITRATION PROCEEDINGS, YOU MUST PROVIDE THE REMODELER WITH A WRITTEN NOTICE OF THE CONDITIONS YOU ALLEGE ARE DEFECTIVE. UNDER CHAPTER 1312 OF THE OHIO REVISED CODE, THE REMODELER HAS AN OPPORTUNITY TO OFFER TO REPAIR OR PAY FOR THE DEFECTS. YOU ARE NOT OBLIGATED TO ACCEPT ANY OFFER THE REMODELER MAKES. THERE ARE STRICT DEADLINES AND PROCEDURES UNDER STATE LAW, AND FAILURE TO FOLLOW THEM MAY AFFECT YOUR ABILITY TO FILE A LAWSUIT OR COMMENCE ARBITRATION PROCEEDINGS.

Thus, in consideration of ORC §1312 governing the Remodeler's Right to Cure and promises contained in this Agreement, Owner agrees that Remodeler has the right to receive notice of and respond in writing to alleged construction defects before Owner may invoke legal rights, commence a legal action under any legal theory, based on an allegation that Remodeler failed in its duty to construct the home in a workmanlike manner or in accordance with the rules promulgated under ORC § 4722 or that the Remodeler was negligent in the construction of improvements.

A. OPPORTUNITY TO INVESTIGATE AND REMEDY. In the event Owner believes that Remodeler has provided Work which does not conform to workmanlike standards or the standards promulgated under the Ohio Consumer Sales Practices Act, or does not substantially conform to the Plans and Specifications or that Remodeler was negligent in the construction of improvements, Owner shall promptly provide written notice to Remodeler of the same specifying with reasonable certainty the nature and effect of such claims in compliance with ORC § 1312.04. Thereafter, Remodeler shall be afforded a reasonable opportunity to review, investigate, and evaluate such claims, and to the extent necessary to complete such evaluation, Remodeler may request additional information and/or a meeting with Owner and/or architect, engineer or expert (if applicable) at the Premises to discuss the same. After completion of such review and investigation to the extent Remodeler agrees with Owner, Remodeler shall notify Owner in writing of the proposed repairs, or alternatively, offer to pay for the cost of repairs, that Remodeler offers to address.

B. REMODELER'S DUTY TO DILIGENTLY PROSECUTE REPAIRS AND OWNER'S DUTY TO COOPERATE. Owner and Remodeler agree and recognize that some construction defects or problems are difficult to diagnose, address, or repair without process of elimination and/or several repair attempts. Owner shall allow ongoing access to the Premises for inspection and completion of repairs during regular business hours, share any inspection or evaluation reports produced by Owner's expert, and cooperate with Remodeler's reasonable attempts to identify and remediate any defects or issues at the Premises. Remodeler shall use commercially reasonable efforts to diligently diagnose and prosecute repairs, and Owner shall fully cooperate with Remodeler's ongoing attempts to repair, including allowing for consideration of seasonal changes and weather factors.

C. OWNER BARRED FROM CLAIMS FOR FAILURE TO NOTIFY REMODELER OF DEFECTS AND/OR BASED ON REMODELER'S CURE. Owner is barred from commencing arbitration or filing an action against Remodeler, unless at least sixty (60) days before commencing either action, Owner provides Remodeler with written notice of an alleged construction defect in compliance with ORC § 1312.04. Should Owner choose to allow the Remodeler to cure alleged defects and accept an offer that Remodeler makes to compromise and settle a claim, or remedy alleged defects by paying for repair costs, and the Remodeler fulfills the offer in compliance with ORC §1312, the owner is barred from suing or bringing an arbitration action for such claim.

D. CURE PROCEDURE. Because determining whether construction was completed in a "good and workmanlike" or "workmanlike" manner and defining such terms in all cases for residential construction may be difficult, costly, and may necessitate each Party incurring expert fees and other professional expenses to provide opinions the Parties hereto agree that the Owner shall provide the Remodeler a reasonable opportunity to investigate and cure any such alleged construction defects prior to commencing arbitration or legal action. This opportunity to investigate and cure shall include: (i) the Owner's prompt written notice to the Remodeler of the nature of the alleged defect; (ii) the Owner providing reasonable access to the Home for the Remodeler's investigation and evaluation of the issue; (iii) in the case of Remodeler's undertaking remedial work, the Owner's providing ongoing access in order for the Remodeler to remedy the issue(s) and (iv) the Remodeler using commercially reasonable efforts to diligently prosecute repairs until completion, taking into account seasonal and weather conditions, and the necessity of trial and error for diagnosis of issues. This clause shall survive the Closing.

E. ARBITRATION IN THE CASE OF DISPUTES. In the event after completion of such investigation and review by Remodeler, and after the Owner has fully cooperated and provided Remodeler with the right to cure and/or elect remedies as required herein or the under the Limited Warranty Agreement, there remains a claim(s), dispute(s) or other matter in question over which Remodeler and Owner cannot agree to a resolution thereof, or in the event Owner and Remodeler cannot agree to the resolution of any other dispute arising under the terms of this Agreement, Owner and Remodeler agree that a decision as to the disputed item(s) shall be reached through binding arbitration which shall be conducted in a prompt and expeditious manner and in accordance with the American Arbitration Association's Home Construction Arbitration Rules and Mediation Procedures a copy of which may be found at AAA Active Rules | ADR.org

I _____, [(homebuyer(s), homeowner(s) or owner's signature(s)] have read the binding Arbitration provisions above and acknowledge with my signature my understanding and agreement with same. My signature above constitutes my acceptance that I have read and accept the terms of the Arbitration Rules contained in the Addendum to this Agreement that further detail the binding arbitration procedure referenced herein.

20. OWNERSHIP OF PLANS. In the event Remodeler has provided the Plans and Specifications to be used under this Agreement, Owner acknowledges that Owner shall have no ownership rights in the Plans and Specifications, and that Owner shall be liable to Remodeler for the reuse or resale of the Plans and Specifications. In the event Owner has provided the Plans and Specifications to be used under this Agreement, Owner acknowledges that Owner shall have no claims against Remodeler for any deficiencies arising under the Plans and Specifications.

21. MISCELLANEOUS.

A. AMENDMENT AND WAIVER. This Agreement may only be amended or modified by an instrument in writing executed by all of the Parties hereto.

B. NOTICES. Any notices or other communications required or permitted hereunder shall be sufficiently given if delivered personally or sent by registered or certified mail, postage prepaid, addressed to the respective Parties at the addresses set forth above, or at such other address as shall be furnished in writing by any Party to the others, and shall be deemed to have been given as of the date so delivered or deposited in the United States mail, as the case may be.

C. CHOICE OF LAW. It is the intention of the Parties that the laws of Ohio should govern the validity of this Agreement, the construction of its terms, and the interpretation of the rights and duties of the Parties.

D. SECTION AND OTHER HEADINGS. Section, paragraph, and other headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

E. COUNTERPART EXECUTION. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same instrument.

F. GENDER. All personal pronouns used in this Agreement shall include the other genders whether used in the masculine or feminine or neuter gender, and the singular shall include the plural whenever and as often as may be appropriate.

G. PARTIES IN INTEREST. All of the terms and provisions of this Agreement shall be binding upon and inure to the benefit of, and be enforceable by, the Parties hereto and their successors and assigns.

H. INTEGRATED AGREEMENT. This Agreement constitutes the entire agreement between the Parties hereto, and there are no agreements, understandings, restrictions, warranties, or representations between the Parties other than those set forth herein or herein provided for which relate to the subject matter of this Agreement.

I. SEVERABILITY. The invalidity or unenforceability of any provision of this Agreement in any particular respect shall not affect the validity and enforceability of any other provision of this Agreement or of the same provision in any other respect.

J. MARKETING SIGNAGE. During the life of this Agreement and until final completion of the work described herein, Owner hereby gives Remodeler permission to erect one marketing sign at a location agreed to by the Owner that is no more than nine square feet in total surface area, or that is not larger than the size and type as allowed by the local zoning or building codes or ordinances in effect in the local jurisdiction.

22. OWNER'S/BUYER'S RIGHT TO CANCEL UNDER OHIO HOME SOLICITATION SALES ACT; NOTICE. In addition to any right otherwise to revoke an offer, You, the Buyer may cancel this transaction at any time prior to midnight of the third business day after the day on which the Buyer signs an agreement of offer to purchase. See the attached notice of cancellation for an explanation of this right, in duplicate, captioned "NOTICE OF CANCELLATION."

OWNER

Name _____

Street Address _____

City / State / Zip _____

Home Phone / Home Fax _____

Work Phone / Work Fax _____

Cell Phone(s) / Pager(s) _____

Owner Signature _____

Owner Signature _____

Names on Deed _____

The foregoing offer is accepted this _____ day of _____, 20____.

REMODELER:

Name _____

Street Address _____

City / State / Zip _____

Home Phone / Home Fax _____

Work Phone / Work Fax _____

Cell Phone(s) / Pager(s) _____

Tax Payer ID Number _____

Remodeler Signature: _____

By: _____

Its: _____

Deposit Acknowledgement

Remodeler (or Broker/Salesman where applicable) acknowledges receipt of the sum of

_____ Dollars (\$_____)

cash/check which shall be held, deposited, and disbursed pursuant to Section 2 above.

Remodeler (or Broker/Salesman where applicable)

NOTICE OF CANCELLATION

Date of Transaction _____

You (Owner/Buyer) may cancel this transaction, without penalty or obligation, within three business days from the above date. If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within ten business days following receipt by the Seller of your cancellation notice, and any security interest arising out of the transaction will be cancelled. If you cancel, you must make available to the Seller at your residence, in substantially as good condition as when received, any goods delivered to you under this contract of sale or you may if you wish, comply with the instructions of the Seller regarding the return shipment of the good at the Seller's expense and risk. If you do make the good available to the Seller and the Seller does not pick them up within twenty days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the Seller, or if you agree to return the goods to the Seller and fail to do so, then you remain liable for performance of all obligations under the contract. To cancel this transaction mail or deliver a signed and dated copy of this cancellation notice or any other written notice, to: _____ (name of Seller) at _____ (Seller's place of business), not later than midnight of _____ (date).

I hereby cancel this transaction

Buyers Signature _____ Date _____

NOTICE OF CANCELLATION

Date of Transaction _____

You (Owner/Buyer) may cancel this transaction, without penalty or obligation, within three business days from the above date. If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within ten business days following receipt by the Seller of your cancellation notice, and any security interest arising out of the transaction will be cancelled. If you cancel, you must make available to the Seller at your residence, in substantially as good condition as when received, any goods delivered to you under this contract of sale or you may if you wish, comply with the instructions of the Seller regarding the return shipment of the good at the Seller's expense and risk. If you do make the good available to the Seller and the Seller does not pick them up within twenty days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the Seller, or if you agree to return the goods to the Seller and fail to do so, then you remain liable for performance of all obligations under the contract. To cancel this transaction mail or deliver a signed and dated copy of this cancellation notice or any other written notice, to: _____ (name of Seller) at _____ (Seller's place of business), not later than midnight of _____ (date).

I hereby cancel this transaction

Buyers Signature _____ Date _____