



AGREEMENT

REVISED Feb 2, 2016 Version 2.1

This AGREEMENT, made this 22 day of January, 2016, between Raven Construction Inc., hereinafter called the “Contractor”, and Ryan and Tina North, hereinafter called “Owner”. This Agreement concerns the Project and persons or entities defined below:

The Owner: Ryan and Tina North

The Project: Remodel of Garden Theater, 929 W. 7th St. St. Paul, MN 55102

The Architect: Locus

The Contractor: Raven Construction Inc., 1101 Snelling Ave. N #200, St. Paul, MN 55108

Contractor and Owner agree as follows:

1. CONTRACT DOCUMENTS

1.1. For the purposes of this Agreement, Contract Documents mean this Agreement, all Exhibits attached hereto, the Contract between the Owner and Contractor, Supplementary and any other Conditions of the Contract between the Owner and Contractor, all Drawings and Specifications for the Project, all Addenda to the aforesaid items issued prior to the execution of the Agreement. The Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations or agreements, either written or oral. If anything in the other Contract Documents, other than a Modification, is inconsistent with this Agreement, this Agreement shall govern.

2. THE WORK OF THIS CONTRACT

2.1. The Contractor shall fully execute the Work described in the Contract Document, except as specifically indicated in the Contract Documents to be the responsibility of others.

3. RELATIONSHIP OF THE PARTIES

3.1. The Contractor accepts the relationship of trust and confidence established by this Agreement and covenants with the Owner to cooperate with the Architect and exercise the Contractor’s skill and judgment in furthering the interests of the Owner; to furnish efficient business administration and supervision; to furnish at all times an adequate supply of workers and materials; and to perform the Work in an expeditious and economical manner consistent with the Owner’s interests. The Owner agrees to furnish and approve, in a timely manner, information required by the Contractor and to make payments to the Contractor in accordance with the requirements of the Contract Documents.

4. CONTRACT PRICE AND PAYMENTS

4.1. In consideration of the complete and timely performance of all Subcontract work, Owner shall pay to the Contractor the sum of FOUR HUNDRED SIXTY FOUR THOUSAND TWO HUNDRED TWO DOLLARS and 59/100 (\$464,202.59), subject to any additions and deductions for changes made pursuant to this Agreement. Any sales taxes are included in the price. Failure to pay within fifteen days of when the Pay Application is submitted will cause a delay in the work and any penalties in delays due to lack of payment will not be attributable to Contractor. The billing of the Project shall be as follows and based on progress payment requests.

Pay Application 1: \$60,000.00 for Phase I
All subsequent pay applications shall be based on progress.

5. SCHEDULING AND PROGRESS OF WORK

- 5.1. The date of commencement of the Work shall be upon issuance of a Building Permit AND receiving signed contract and payment of Application 1.
- 5.2. The Contract Time shall be measured from the date of commencement. The Contractor shall achieve Substantial Completion of the entire Work not later than NINETY (90) DAYS from the date of commencement.
- 5.3. The Contractor is not liable for delays caused by the inspectors' inability to inspect within 48 hours of contact to schedule.

6. GUARANTEED MAXIMUM PRICE

- 6.1. The Contract Sum is guaranteed by the Contractor not to exceed **\$464,202.59** subject to additions and deductions by Change Order as provided in the Contract Documents. Such maximum sum is referred to in the Contract Documents as the Guaranteed Price. Costs which would cause the Guaranteed Maximum Price to be exceeded shall be paid by the Contractor without reimbursement by the Owner.
- 6.2. Assumptions, if any, on which the Guaranteed Maximum Price is based:
 - 6.2.1. The proposed job address was previously abandoned and is converting back to its original use as a theater.
 - 6.2.2. There are no architectural plans as of the date of this contract. The contract is based on walkthroughs with the owner and is detailed in the scope of work. Any architectural plans or code requirements noted after the date of this contract will be addressed by change order.
- 6.3. To the extent that the Drawings and Specifications are anticipated to require further development by the Architect, the Contractor has provided in the Guaranteed Maximum Price for such further development consistent with the Contract Documents and reasonably inferable therefrom. Such further development does not include such things as changes in scope, systems, kinds and quality of materials, finishes or equipment, all of which, if required, shall be incorporated by Change Order.

7. CHANGES IN THE WORK

- 7.1. Changes in the Work may be accomplished after execution of the Contract, and without invalidating the Contract, by Change Order, Construction Change Directive or order for a minor change in the Work, subject to the limitations stated in this Article 7 and elsewhere in the Contract Documents.
- 7.2. A Change Order shall be based upon agreement among the Owner and Contractor; a Construction Change Directive requires agreement by the Owner and Architect and may or may not be agreed to by the Contractor.

7.3. Changes in the Work shall be performed under applicable provisions of the Contract Documents, and the Contractor shall proceed promptly, unless otherwise provided in the Change Order, Construction Change Directive or order for a minor change in the Work.

8. **CHANGE ORDERS**

8.1. A Change Order is a written instrument prepared by the Contractor or Architect and signed by the Owner, Contractor and Architect, as necessary, stating their agreement upon all of the following;

8.1.1. The Change in the Work;

8.1.2. The amount of the adjustment, if any, in the Contract Sum; and

8.1.3. The extent of the adjustment, if any, in the Contract Time.

9. **PAYMENTS**

9.1. Based upon Applications for Payment submitted to the Owner by the Contractor, the Owner shall make progress payments on account of the Contract Sum to the Contractor as provided below and elsewhere in the Contract Documents.

9.2. Final payment, constituting the entire unpaid balance of the Contract Sum, shall be made by the Owner to the Contractor when

9.2.1. The Contractor has fully performed the Contract except for the Contractor's responsibility to correct Work, and to satisfy other requirements, if any, which extend beyond final payment;

9.2.2. The Contractor has submitted a final accounting for the Cost of the Work and a final Application for Payment.

9.2.3. The Owner's final payment to the Contractor shall be made no later than 15 days.

9.3. Payments due and unpaid under the Contract shall bear interest from the date payment is due at the rate of 3% per month or at the legal rate prevailing from time to time at the place where the Project is located.

10. **DISPUTE RESOLUTION**

10.1.1. For any Claim subject to, but not resolved by mediation, the method of binding resolution shall be Arbitration administered by the American Arbitration Association in accordance with its Construction Industry Arbitration Rules in effect on the date of the Agreement. A demand for arbitration shall be made in writing, delivered to the other party to the Contract, and filed with the person or entity administering the arbitration. The party filing a notice of demand for arbitration must assert in the demand all Claims then known to the party on which arbitration is permitted to be demanded.

10.1.2. A demand for arbitration shall be made no earlier than concurrently with the filing of a request for mediation, but in no event shall it be made after the date when the institution of legal or equitable proceedings based on the Claim would be barred by the applicable statute of limitations. For statute of limitations purposes, receipt of a written demand for arbitration by the person or entity administering the arbitration shall constitute the institution of legal or equitable proceedings based on the Claim.

10.1.3. The award rendered by the arbitrator or arbitrators shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

11. ENUMERATION OF CONTRACT DOCUMENTS

11.1. THE DRAWINGS

| Number | Title | Date |
|--|-------|------|
| There are no drawings as of January 22, 2016. | | |

11.2. ADDITIONAL DOCUMENTS

EXHIBIT A- Project Scope

12. INSURANCE AND BONDS

The Contractor shall purchase and maintain insurance and provide bonds as follows:

| | |
|----------------------------|--|
| Bodily Injury Liability: | \$1,000,000 Each Occurrence \$1,000,000 Aggregate |
| Property Damage Liability: | \$1,000,000 Each Occurrence \$2,000,000 Aggregate |
| Workers Comp Insurance: | \$100,000/\$500,000/\$100/000 |

Additional requirements by the Owners will be at an additional cost to the project and billed at cost.

Builders Risk Insurance including property in transit.

This Agreement entered into as of the day and year first written above.

Owner (Signature)

Raven Construction Inc., Owner
Nancy St Germaine

