

**US PROPS, LLC: Contractor's Bid Statement**

**SCOPE OF WORK**

Property Address: 812 Cook Ave St Paul MN

The undersigned has fully and completely inspected the property described above, including any and all building structures, improvements and utilities located thereon. My bid covers \_\_\_\_\_ sq ft +/- 10%, which I estimate is the square footage of the main structure at the property.

This SOW is incorporated into and made a part of the Construction Contract to which it is attached.

\*\*\*I understand if the renovation is funded by a construction loan, or is being facilitated for an investor, payments may take up to 4-7 business days from the date of the US PROPS representative's approval. In addition, I may be asked to sign a lien waiver in advance of receiving funds. This is necessary in order to submit documentation to the lender or to the investor to release funds.

My bid takes into account a minimum of items 1 – 40 and follows the most recent published finish schedule which I can request from US PROPS LLC.

\*\*\* I HAVE READ, UNDERSTAND & AGREE TO THESE STIPULATIONS.

\_\_\_\_\_  
Contractor \_\_\_\_\_ Date

\_\_\_\_\_  
US PROPS, LLC \_\_\_\_\_ Date

	<i>Required Work</i>	<i>Non-shaded areas MUST show cost</i>
		<i>Please include specifics on what amount covers or mark as ALL.</i>
		<b>DEMOLITION</b>

1	<b>DEMOLITION:</b> including appliances, mechanicals, carpeting, flooring, debris from entire property (where not being reused), interior & exterior excess/nonfunctional wiring & cables. Remove from property as directed.	\$2800	<b>UPPER LEV</b> Demo upper level back to bdrum #2 ceilings and walls, demo all existing trusses, chard residue.
		\$1500	<b>LOWER LEVEL</b> Demo interior walls and ceilings in kitchen to ceiling in bdrum 1. Demo carpet, upper level hall and stair way
		\$4850	<b>EXTERIOR</b> Total Demo of exterior walls/ siding contains esbestos.exterior .to be done by a certified esbestos abatement contractor, and certified disposal.
		\$375	Remove satellite dishes and wiring
<b>INTERIOR</b> <b>TO MEET ALL CODE AND SECTION 8 MINIMUMS</b>			
2	<b>INTERIOR PAINTING:</b> WALLS AND CEILINGS – Caulking, taping, proper preparation, repair, sanding & finishing walls, ceilings, trim, doors & frames, window frames, all paintable surfaces with appropriate primer and other necessary for a durable paint finish.	3675	Total painting interior of house , prime and finish coat, to include all trim
3	<b>WINDOWS &amp; DOORS ALL NEW</b> Repair, replacement and functionality. Check windows or parts as needed to pass inspection.	\$2,200	Clean paint 4 interior doors replace 2 interior doors replace 2 exterior doors
4	<b>WINDOW SCREENS:</b> Installation or proper repair of window screens and storms/parts as needed to pass inspection.	\$350 \$800	Reframe windows in upper level and lower level widows Install two new double hung window
5	<b>BLINDS:</b> Installation of correctly sized, cut and adjusted Builder Grade Blinds on all windows.	\$440.00	Install new blinds 11 windows
6	<b>PLUMBING FIXTURES &amp; FITTINGS:</b> Shower heads, faucets, knobs and related hardware are to be of similar finish materials. Sinks and bathtubs are new or like new and refinished where necessary.	4,300	Remove and reinstall esisting fixtures of upper and lower level bthrm to include all fixtures and hardware
7	<b>SEAL INSULATION AND MOISTURE BARIER</b>	\$4,300	Blow in or install bat insulation and moisture barier
8	<b>CABINERY:</b> New as specified, or existing to be painted or stained. New hardware per finish schedule. Plain white liners in all pre-existing, non-painted shelving & cabinets.	\$2,400	Check appliances to see if they are reusable, Clean and reinstall all cabinets counter tops and appliances as needed replace some new as needed Demo drywall finish and paint

9	<b>INTERIOR DOORS:</b> Replace or provide doors, handles, hinges & doorstops, uniform & "like new."		Clean, light sand refinish /or paint
10	<b>LIGHTING:</b> Replace or add light fixtures per finish spec. All light bulbs and switches to be installed and functioning.		Install new fixtures in all rooms and hall areas
11	<b>ELECTRICAL:</b> Removal, replacement, or installation of outlets and switches for uniformity and "like new" condition. Includes all parts of an outlet. Correct placement and installation of GFCI outlets per local code & arc-fault requirements. Change out or repair electrical box to meet code or load of property; removal of all unnecessary visible wires & cables (interior/exterior).	\$3625	Repair damaged electrical in upper area and install new outlets fixtures gfci all grounded and arc fault throughout house.
12	<b>FLOORING:</b> Installation of ceramic tile flooring & carpet per spec throughout property unless otherwise directed in writing, or restoration of natural wood flooring if applicable. (List any approved refinishing of wood floor/ stairway.)	\$7,675	Install flooring throughout carpet in bdrms vinyl in bath and hallways laundry room sub floors and coverings.
13	<b>STAIRS:</b> Handrails on all areas with three or more steps or 30" from ground & to meet local code requirements		
14	<b>APPLIANCES:</b> Proper receiving & installation of appliances & mechanicals (PURCHASED BY OWNER). If re-using existing, suitable maintenance to restore to proper useable condition. All properties, unless otherwise specified, should minimally have: <ul style="list-style-type: none"> <li>• Water heater (with appropriate length discharge pipe)</li> <li>• Furnace (with filters)</li> <li>• Range (with tipping stop)</li> <li>• Dishwasher</li> <li>• Refrigerator.</li> </ul> Specific additions may be required (i.e., microwave, range hood, garbage disposal).	\$1,300	Appliances to be cleaned and reused reinstalled

15	<b>HVAC, PLUMBING, ELECTRICAL:</b> Should meet all code requirements and allow for seamless property functioning.	\$975	Cover all vents and clean dutct work after rehab, heating system seems to be in ok condition certify heating system,
16	<b>SMOKE &amp; CO2 DETECTORS:</b> Installation of smoke and CO2 detectors to meet local code requirements.	\$60 \$120	Install 6smoke and 3co 2 detectore
17	<b>FINISHES:</b> Finishes to be as shown on finish schedule, or agreed to in writing.		
18	<b>GENERAL:</b> Removal, replacement, and/or repair of all worn and/or damaged items.		
19	<b>OTHER:</b> Please describe. Micelanium		
<b>EXTERIOR</b> <b>TO MEET ALL CODE AND SECTION 8 MINIMUMS</b>			
20	<b>ROOF &amp; CHIMNEY:</b> Repair or partial roof repair to meet all local code and compliance standards & prevent moisture intrusion.	\$8750	Reframe burned out roof area install new engineered trusses. Re-deck and reroof entire roof area
21	<b>GARAGE:</b> Garage door (if applicable) must be in good working order.	3,100	Install new garage door extra wide \$2,000 install garage door opener.
22	<b>DRAINAGE:</b> Factor gutters, downspouts and appropriate ground drainage slopes and execute to prevent water intrusion and damage to property.	\$900	Grading and landscap/chips
23	<b>FOUNDATION:</b> Foundation issues should be noted here (please include recommendation and pricing if applicable).	\$795	Repair/patch loose mortar exterior and paint exterior foundation
24	Permits and dumpster 1700	\$700	

25	<b>EVALUATION:</b> Perimeter check of house. Includes adequate drainage materials on the ground to prevent water damage/intrusion. Where permanent water extraction cannot be accomplished, sump pump(s) installation or maintenance is required.		
26	<b>LOCKS &amp; HARDWARE:</b> Install security locksets keyed to match all exterior doors. Match handles, locksets & hinge finishes.	260.00	

27	<b>HVAC:</b> New A/C if required. If a new A/C is required, this will be purchased by owner and installed by contractor.		<b>See mechanicals</b>
28	<b>AC CAGE:</b> AC Cage (non-invading) to be installed on existing AC at beginning of project. (US PROPS to supply cage; contractor to install).		
29	<b>CERTIFICATIONS:</b> A furnace certification is required.		
30	<b>EXTERIOR PAINTING – describe work</b>		
31	<b>EXTERIOR LIGHTING &amp; ELECTRICAL – describe work.</b> Doorbell should be functional, if applicable.	\$300	<b>Garage and house front and rear 4 total</b>
32	<b>SIDING, FACIA &amp; SOFFIT REPAIR – describe work</b>	\$9,500	<b>Total replacement of siding includes weather wrap install replace Replace sheathing where needed</b>
33	<b>SIDEWALK &amp; DRIVEWAY – describe work</b>	\$3,975	<b>Install garage concrete apron and slab garage</b>
34	<b>FENCING &amp; GATES – describe work</b>		

35	RETAINING WALL REPAIR – describe work		
36	SEPTIC TANK-describe work		
37	SEWER DRAIN: The sewer line will be augured by US PROPS upon notice from the contractor that property is complete.		
<b>ADDITIONS</b>			
38	CLEANLINESS: All areas during work must be kept organized, neat, & free of trash. Upon completion, property must be able to pass rental inspection, code compliant, neat, clean & debris-free.	275.00	Final clean to be don of all areas to include cleaning and polishing of laminated flooring live rm and hall area
39	FINISHED PRODUCT: Deliver a clean, finished, presentable, move-in ready property. No trash, waste or debris in or around property OR plants/trees encroaching.		
40	ADDITIONS: Additional specific repair, replacement, and construction of all indicated here: <i>(Include specific concerns and additions and what repairs will cost.)</i>		
<b>Total Winter Work:</b>		\$	
<b>Total Spring Work:</b>		\$	
<b>TOTAL SCOPE OF WORK (SOW)</b>		\$ 70,303	

<b>Signed:</b>	
<b>Printed Name:</b>	William Washington
<b>Position:</b>	owner

<b>Company Name</b>	Reliable Property Maint & Home Srv LLC
<b>Company Address:</b>	1211 Minnehaha Ave East St Paul MN 55106
<b>Email Address:</b>	rpmhs@hotmail.com
<b>Mobile Phone:</b>	612-272-7618
<b>Other Phone:</b>	952-955-6432

**CONSTRUCTION CONTRACT**

**THIS CONSTRUCTION CONTRACT** (the "Contract"), effective as of the date of the last party to sign below, is between Reliable Property Maint & Home Srv LLC \_\_\_\_, a [State limited liability company, corporation, partnership, or individual] \_\_\_\_\_, having an address at \_\_\_\_ 1211 Minnehaha Ave St Paul MN 55106 \_\_\_\_\_ ("Contractor") and US PROPS LLC, a Minnesota limited liability company, having an address at 3100 W. Lake Street, Suite 430, Minneapolis, MN 55416 ("Owner"). The term "Owner" shall include all representatives or agents of US PROPS LLC authorized to perform acts on behalf of US PROPS LLC under this Contract. For valuable consideration the parties hereby agree as follows:

1. **SCOPE OF WORK:** Contractor shall provide all labor and materials and perform all work (the "Work") necessary for the completion of improvements to the residential structure and real property commonly known as \_\_\_\_ 810 Cook Ave East St Paul MN 55106 \_\_\_\_\_ [Insert address] (the "Work Site"). The Work is described in the Contractor's Bid Statement / Scope of Work, signed by both US PROPS LLC and Contractor (the "SOW"), which is incorporated herein and made a part of this Contract by reference. The Work shall include all equipment and materials to be provided by Contractor for the Project, but shall not include any materials and equipment paid for directly by US PROPS LLC. The term "Project" shall refer to all Work that is to be performed and completed by Contractor at the Work Site in conformance with and as required by this Contract and the SOW. To the extent required by law, all Work shall be performed by individuals authorized by Contractor. All Work shall be completed in a workman-like manner and in compliance with laws, statutes, and regulations (including building codes of all government entities having jurisdiction over the project).
  
2. **EXCAVATION AND DEMOLITION:** Promptly after the execution of this Contract, Contractor shall commence and complete such demolition of existing structures and improvements located on the Work Site (the "Demolition Work") as well as such excavation and grading as may be required in the judgment of the Contractor to perform the Work and to complete the Project or as otherwise specified in the SOW. Contractor shall be solely and exclusively responsible for all grading and excavation at the Work Site, which shall be completed in a manner which ensures that the soil conditions shall remain stable throughout the course of the performance of the Work and will support the Project to be installed and completed at the Work Site.
  
3. **TIME OF COMPLETION:** Contractor shall commence the Work to be performed under this Contract on or before \_\_\_\_ 7/25 \_\_\_\_ 20\_15\_ ("Commencement Date") and shall complete the Work on or before \_\_\_\_ 9/25 \_\_\_\_ 2015\_ ("Completion Date"). Concurrent with each application for payment, as described in Section 8 below, Contractor shall provide to US PROPS LLC pictures documenting work has been completed in a satisfactory and workman-like manner. Request for each payment must be accompanied by appropriate documentation as described in Section 8 below. Contractor shall inspect the Project and shall complete and return to US PROPS LLC, a completed copy of the Housing and Inspection Checklist (the "Checklist"), a form of which has been separately provided to Contractor, by which Contractor shall represent and warrant to owner that all items set forth therein have been completed in a satisfactory and workman-like manner. Contractor shall provide any additional comments on the Checklist as provided therein. Contractor shall not be liable for any delay due to circumstances beyond its control including strikes, casualty, acts of God, illness, injury, or general unavailability of materials or other matters generally deemed to constitute *force majeure*.
  
4. **PERMITS:** Contractor shall apply for and obtain such permits and regulatory approvals as may be required for the performance of the Work, including excavation and grading, by all government entities having jurisdiction, and the cost thereof shall be included as part of the Project Price. All permits required for the Work shall be obtained prior to the Commencement Date or as soon thereafter as possible. Failure to obtain the required permits and regulatory approvals shall not constitute a basis for extending the Completion Date.

Any fees/fines incurred as a result of an incomplete permit and/or failure to obtain a permit will be at the expense of the Contractor and will either be billed to the Contractor or deducted from the Contractor's next payment.

5. **EASEMENTS AND UTILITY LINES:** Contractor shall identify all easements of every nature and for any purpose located on the Work Site and shall not engage in any Work that encroaches upon such easements except as permitted by the terms and conditions thereof. Prior to the commencement of any Work, Contractor shall cause to be located in the Work Site any and all utility lines and shall be solely and exclusively responsible for ensuring that no Work performed on the Work Site shall interfere with or result in any damage to such utility lines. Contractor shall be solely and exclusively responsible for the repair and restoration of any damage to utility lines located at the Work Site resulting from the performance of Work by Contractor or any of Contractor's subcontractors, employees, independent contractors, agents or other representatives.
6. **INSURANCE:** Contractor shall maintain general comprehensive liability insurance of \$1,000,000. Contractor shall provide Owner, before commencing construction, a binder evidencing that this insurance is in place and that Owner is an additional insured with respect to this Project.
7. **CHANGES TO SCOPE OF WORK (SOW):** Owner may make changes to the SOW, subject to written Change Orders ("Change Orders") signed by both parties. Such Change Orders shall be deemed to be incorporated herein and made a part of this Contract. Contractor shall not make changes to the SOW without written permission from the Owner.
8. **PROJECT PRICE:** Owner agrees to pay Contractor the sum of \$ 70,303 for performing the Work as set forth in the SOW (the "Project Price"). The Project Price shall consist of four payment installments.

The Project Price shall be paid to Contractor as follows:

- **PAYMENT 1: Demolition Phase.** Twenty five percent (25%) of the Project Price shall be paid to Contractor upon receipt by US PROPS LLC of (i) Contractor's application for payment, (ii) photo documentation of the completed demolition, excavation & grading at the Work Site and completed trash removal, after which Owner's Agent shall choose to physically inspect or accept photography of such Demolition Work. Upon acceptance of a satisfactory inspection of the Demolition Work, excavation & grading at the Work Site or photography, US PROPS LLC shall promptly pay the first 25% of the Project Price to Contractor. It is acknowledged that a 25% payment is most likely in excess of the actual cost of Demolition.
- **PAYMENT 2: Rehab Phase.** Thirty percent (30%) of the Project Price shall be paid to Contractor upon receipt by US PROPS LLC of (i) Contractor's application for payment, (ii) mechanic's and materialmen's lien releases for the Demolition Phase completion at the Work Site, and (iii) pictures and related materials evidencing that the Work for which the current application for payment has been completed.
- **PAYMENT 3: Project Completion Phase.** Thirty-Five percent (35%) of the Project Price shall be paid to Contractor upon receipt by US PROPS LLC of (i) Contractor's application for payment, (ii) mechanic's and materialmen's lien releases for Rehab Phase at Work Site, and (iii) Housing Inspection Checklist completed by Contractor including pictures and related materials evidencing that the Work for which the current application for payment has been COMPLETED IN ITS ENTIRETY.
- **PAYMENT 4: Final Inspection.** Ten percent (10%) of the Project Price shall be paid to Contractor upon receipt by US PROPS LLC of (i) Contractor's final application for payment, (ii) mechanic's and materialmen's lien releases for the Project Completion Phase at Work Site, and (iii) documented proof (including pictures, Housing Inspection Checklist, and related materials) by Owner's Agent that the property has been fully inspected, evidencing that any ensuing punch lists compiled by the Owner's Agent after the last submission for payment has been cured to move-in ready status. Contractor to initiate final inspection by ordering through US Props administration. Charges of \$200 for each and every subsequent inspection following the first will be deducted from final payment until property is cured of punch list items.

\*Any fines incurred during renovation due to negligence of Contractor will be deducted from the upcoming payment.

**OF SIGNIFICANT NOTE:**



As soon as possible after receipt of Contractor's application for final payment of the Remaining Project Price, Owner's Agent will inspect the Project and will review the Checklist for the purpose of confirming that Contractor's representations and warranties are accurate and complete.

To the extent that there are minor items to be completed having a total cost of ten percent (10%) or less of the Project Price, a punch list will be prepared by Owner's Agent and delivered to Contractor. Contractor shall have 3 days in which to cure and correct all punch list items to be performed. If items to be completed exceed ten percent (10%) of the Project Price, as determined during the Owner's Agent inspection, Contractor shall complete such items as soon as possible and notify Owner's Agent when the Work is in a condition for a subsequent inspection.

Promptly after Contractor notifies Owner's Agent that such items have been completed, Owner's Agent shall arrange for a final inspection to verify same. Payment of the Remaining Project Price shall not be made until Contractor has completed all punch list items, has removed all debris and has left the Project in clean, move-in ready condition.

Concurrent with the payment of the Remaining Project Price, Contractor shall provide to US PROPS LLC mechanics' and materialmen's lien releases for all Work performed and materials and equipment provided with respect to the Project.

The parties acknowledge that Contractor may be performing work for US PROPS LLC or an affiliate of US PROPS LLC at one or more other work sites. US PROPS LLC and Contractor shall not seek relief or other redress arising out of or connected with this Contract from any work or payments related to such other work sites and shall file no mechanics' or materialmen's liens upon such other work sites.

9. **ASSIGNMENT:** Neither party may assign this Contract, or payments due under the Contract, without the other party's written consent. Any such assignment shall be void and of no effect.

**10. INTERPRETATION:**

- (a) **Entire Agreement.** This Contract and the documents incorporated herein by reference constitute the entire agreement of the parties. No other agreements, oral or written, pertaining to the Work to be performed under this Contract exists between the parties. This Contract may only be modified by a written agreement signed by both parties. In the event of any conflict in the terms and provisions of this Contract document and the SOW, this Contract document shall govern.
- (b) **Governing Law.** This Contract shall be interpreted and governed in accordance with the laws of the state in which the Project is located without regard to its conflict of laws provisions.
- (c) **Defined Terms.** All capitalized terms set forth herein shall be deemed to be defined terms for use in this Contract and the SOW.

11. **ATTORNEYS' FEES AND COSTS:** If any party to this Contract brings a cause of action against the other party arising from or relating to this Contract the prevailing party in such proceeding shall be entitled to recover reasonable attorney fees and court costs.

12. **TERMINATION:** US PROPS LLC reserves and is entitled to terminate this Contract by written notice at any time during the course of the performance of the Work if, in the sole and exclusive discretion of US PROPS LLC and without cause, US PROPS LLC determines that the Work is not being performed consistent with the requirements of the SOW:

- In a timely manner so as to ensure completion of the Project on or before the Completion Date.
- Contractor fails to perform in a workman-like manner.
- Contractor has failed to obtain all permits and licenses for the performance of the Work • US PROPS LLC is otherwise not satisfied with the performance or services of Contractor.

Owner shall not be required to provide Contractor any prior written notice in advance of termination or the right to cure. In the event of such termination, US PROPS LLC shall be responsible for and pay only for those services fully completed and for those materials delivered to and located on the Work Site as of the date of termination. The cost of correcting any defective Work performed by Contractor and the costs and expenses incurred by US PROPS LLC in connection with replacement of Contractor shall be deducted from any amount due to Contractor hereunder.

13. **FINES AND PENALTIES:** Any fines or penalties imposed by any governmental authority having jurisdiction related to the Work or the renovation of the Project arising out of or connected with the acts or omissions of Contractor shall be the sole and exclusive responsibility of Contractor. US PROPS LLC may withhold such amount from any monies due and owing Contractor hereunder until

it receives satisfactory confirmation that such fines or penalties have been paid by Contractor or may pay such fines or penalties directly from such monies as are withheld.

- 14. **NONDISPARAGEMENT:** Neither US PROPS LLC nor Contractor shall disparage, discredit or slander the reputation, character, trustworthiness or reliability of the other in connection with or arising out of the performance of the Work or the obligations of the parties pursuant to the terms and conditions of this Contract.
- 15. **WARRANTY:** Contractor's warranty shall be limited to defects in workmanship and design performed or provided by Contractor and which arise and become known within one (1) year from the date hereof. Contractor hereby assigns to US PROPS LLC all warranties on materials as provided by the manufacturer of such materials.
- 16. **TIME IS OF ESSENCE:** Time is of the essence in the performance of all Work and other services to be provided by Contractor hereunder. Dates are to be complied with as submitted unless changed by agreement in writing between US Props and Contractor. Failure to deliver within 30 business days of accepted start date will result in a \$50 per day penalty. This will be deducted from the final payment. Day 1 of penalty is considered the 31st business day after start date. Failure to appropriately book inspections or failure of inspections will not be considered an extenuating cause for failure to perform on time.

If during an active rehab the progress is more than 3 business days behind the SOW schedule and there are fewer than 3 paid contractors actively working on the job site US Props reserves the right to immediately terminate the contract and will only be liable to pay for visible and proven executed work performed to Housing Checklist/SOW standards.

- 17. **LIMITED LIABILITY:** Should contractor fail to perform any of its obligations under the attached Scope of Work or Limited Scope of Work, US Props shall only be held liable for satisfactory work performed meeting both code compliance and specification standards.

**AGREED AND APPROVED BY:  
CONTRACTOR:**

William Washington  
Name

owner  
Title

\_\_\_\_\_  
Signature

7/13/2015  
Date

**OWNER/OWNER'S REP:  
US PROPS, LLC**

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date