

Construction Contract

This agreement is made by Sandstone Remodeling LLC . (Contractor) and John Ray (Owner) on the date written beside our signatures.

Contractor

Sandstone Remodeling LLC .
1453 University ave
St. Paul, Minnesota 55104
Work Phone Number: 651-734-5352
Email Address: Sandstone05@gmail.com
License Number: Bc20635005
Sandstone Remodeling LLC . is operating as a limited liability company in the state of Minnesota.
Sandstone Remodeling LLC . will be referred to as Sandstone t hroughout this agreement.

Owner

John Ray
655 Jessamine E
St. Paul, Minnesota 55106
John Ray will be referred to as Ray throughout this agreement.

The Construction Site

655 Jessamine E
St. Paul, Minnesota 55106

I. Project Description

- A. For a price identified below, Sandstone agrees to complete for Ray the Work identified in this agreement as the Jessamine.
- B. The Jessamine is described as follows:
See attached Repair list.

II. Contract Price

- A. In addition to any other charges specified in this agreement, Ray agrees to pay Sandstone the following for completing the Work described as the Jessamine:
- For the cost of labor as defined in this agreement.
 - For the cost of materials as defined in this agreement.
 - For the cost of Subcontract Work and services as defined in this agreement.

III. Scheduled Start of Construction

- A. Work under this agreement will begin any time after this contract is signed by Sandstone and Ray.

IV. Scheduled Completion of Construction

- A. Work under this agreement will be completed in a reasonable time, consistent with the schedule of Sandstone and Ray.

V. Documents Incorporated

- A. This agreement incorporates by reference certain disclosures and notices required by federal and state law. The following documents are incorporated as though included in full as part of this agreement.

Thermal Insulation Disclosure

B. This agreement incorporates by reference certain documents which define and describe the Work to be done. The following documents are incorporated as though included in full as part of this agreement.

1. Proposal (Estimate or Bid)

Proposal (Estimate or Bid) dated 2/18/2022.

Consisting of 1 sheet(s).

For the amount of \$82,700.00.

2. General Conditions

Consisting of 1 sheet(s)

Prepared by City of st.Paul

VI. Documents Supplied to Contractor

A. Ray will furnish to Sandstone at no cost:

1. 2 copies of City re[airs].

2. Sandstone will distribute Contract Documents as required by Subcontractors.

VII. Scope of Work

A. Sandstone shall supervise and direct the Work and accepts responsibility for construction means, methods, techniques, sequences and procedures required to complete the Jessamine in compliance with the Contract Documents.

B. Except for materials expressly designated otherwise in the Contract Documents, Sandstone warrants that all materials and equipment furnished under this contract shall be of good quality and new.

C. Sandstone is responsible for coordination of the various trades and deliveries of equipment, materials and supplies to minimize interference which could delay the Work or pose a hazard to life or property. Sandstone shall be responsible for allocation of tasks between trades and will be the final authority on location and routing of equipment and storage of materials on the Job Site.

D. Sandstone will ensure that Subcontractors, their agents, and employees adhere to these Contract Documents. Sandstone accepts responsibility for all Work performed under this contract, including Work performed by employees of Subcontractors. Sandstone will settle disputes among Subcontractors and between Sandstone and Subcontractors so that disagreements do not delay completion of the Work or affect quality of the Work.

E. Sandstone shall make a best effort to adopt and implement policies and practices designed to minimize Work stoppages, slowdowns, disputes or strikes. Except as may be specifically provided elsewhere in this or a separate agreement, Sandstone is not liable to Ray for damages suffered by Ray as a result of Work stoppages, slowdowns, disputes or strikes. Sandstone shall allocate labor tasks among the various trades in accordance with local custom, rules, jurisdictional awards, regulations, and decisions, regardless of any classification by the Contract Documents.

VIII. Cutting and Patching

A. Sandstone will ensure that cutting and patching required to make building parts fit together properly is done by those skilled in the trade. Work completed by Sandstone will have the neatly finished appearance characteristic of professional grade construction.

B. Except as illustrated on building Plans or described in Contract Documents, Sandstone will not alter existing building components without consent of Ray. Sandstone will not alter or interfere with the Work of any Separate Contractor without prior consent of the Separate Contractor involved.

C. The color, texture and planes between existing and new materials might not match exactly. Sandstone will use due diligence to create the best match possible. Ray acknowledges that patched surfaces may be detectable when construction is complete.

IX. Compliance with Law

A. Sandstone and Ray mutually commit to use reasonable care to meet the Requirements of state, federal and local Law when discharging their responsibilities under this agreement.

B. If Sandstone observes that Drawings, Specifications, or other Contract Documents do not comply with applicable Law, Sandstone shall promptly notify Ray of the variance. Any changes made to the Contract Documents as a result of this notice shall be handled in the form of a Change Order under this agreement.

C. Sandstone shall bear none of the cost of correcting Work completed according to Contract Documents but not in compliance with Law if Sandstone did not know that Contract Documents or instructions from Ray did not comply with the Law.

D. If Law enacted after the Contract Date changes the Scope of Work under this agreement, Sandstone and Ray will execute a Change Order adjusting the Contract Price and Contract Time to accommodate the change in the Scope of Work.

E. Sandstone is licensed to do Work described in the Contract Documents. Sandstone will notify Ray of any change in that license status. Every Subcontractor working for Sandstone will hold a license appropriate for the Work performed.

F. Except as required by Law, Ray is not responsible for any breach of Law by Sandstone. Except as required by Law, Sandstone is not responsible for any breach of Law by Ray.

X. Employee Relations

A. Sandstone is responsible for performance of all construction crews, including employees of Subcontractors, and shall enforce strict discipline and good order on the Job Site.

B. Sandstone will enforce the following rules on the Job Site: (1) Anyone found in possession of a firearm will be directed to leave immediately and will not be allowed to return, (2) Possession, sale, or distribution of alcohol or illicit drugs is prohibited. Anyone under the influence of alcohol or illicit drugs will be directed to leave immediately, (3) Sandstone will certify that personnel on the Job Site have consented to submit to drug and alcohol screening and testing including pre-employment, for cause, periodic or random tests, and (4) Entry on the Job Site shall constitute consent to Inspection of an employee's person, vehicle, and personal effects by Sandstone, Ray, or other authority. Any employee who is found in violation of these Job Site rules or who refuses to permit Inspection shall be barred from the Job Site at the discretion of Sandstone or Ray.

C. Sandstone will ensure that personnel will be furnished and required to use safety equipment complying with OSHA standards, including hard hats, safety glasses with permanently attached side shields, body harnesses with shock cord lanyard, steel toe work boots, and appropriate protective equipment and clothing. Any employee who refuses to comply with OSHA standards shall be barred from the Job Site at the discretion of Sandstone or Ray.

- D. Sandstone will allow only qualified, careful and skilled personnel to do the Work. Each worker shall have the appropriate license, certification or experience necessary to complete the tasks assigned.
- E. Sandstone shall discharge from employment on the Jessamine any worker who cannot or will not meet standards for acceptable performance or who fails to comply with reasonable expectations for personal conduct.

XI. Owner's Responsibilities

- A. Ray will respond in writing and with reasonable promptness to written requests from Sandstone for information relevant to completion of the Work. Ray will identify a Representative qualified to respond to questions from Sandstone when Ray is not available. Sandstone is authorized to rely on written responses from Ray and the identified Representative.
- B. Ray affirms that Ray has the right to enter into this agreement and has the right to contract for construction of the Jessamine on the Job Site. Ray shall pay all taxes and assessments due on the Job Site during the period of construction and shall take all reasonable actions required to protect marketable title to the Job Site.
- C. Ray shall have sole responsibility to secure financing for the Jessamine and shall pay all fees, charges, or other costs of such financing, including inspection fees charged by any lender. The nonperformance of any lender shall not affect the obligation of Ray to Sandstone. Ray hereby authorizes and directs any lender on the Jessamine to furnish Sandstone with full information on undisbursed loan proceeds when requested by Sandstone.
- D. Ray will not interfere with or permit others to interfere with, stop, hinder, or delay completion of the Work by Sandstone or Subcontractors except as provided under this agreement.

XII. Construction by Others

- A. Ray shall neither hire nor retain Separate Contractors, Subcontractors, employees or agents of Ray to perform Work on the Job Site while Work is being done under this agreement by Sandstone.

XIII. Representations by Contractor

- A. Sandstone shall use skill and attention to complete the Work in a timely manner consistent with the Contract Documents.
- B. Based on a thorough evaluation of the Contract Documents, the Job Site, and all conditions that may affect construction cost and duration, Sandstone affirms that the Contract Price and Contract Time are fair and reasonable for completion of the Jessamine.
- C. Ray has reported to Sandstone all conditions known to Ray which may not be apparent to Sandstone and which might significantly increase cost of the Work or delay completion. These concealed conditions include, but are not limited to, hazards on the Job Site, unsuitable soil conditions, prior Defective Work of others, latent Defects in the Plans or Specifications, earlier attempts to do Similar or related Work, and obligations imposed by government.
- D. Sandstone affirms that the company is financially solvent, licensed, experienced, competent, and has resources necessary to complete the Work in compliance with the Contract Documents.
- E. Sandstone affirms that all Subcontractors will be financially solvent, licensed, experienced, competent, and will have resources necessary to complete the Work assigned in compliance with the Contract Documents.

XIV. Disclaimer by Owner, Reliance by Contractor

A. Ray has provided Sandstone with information on subsurface or concealed conditions at the Job Site. Except to the extent that Sandstone knows this information to be false, Sandstone is entitled to rely on the accuracy of this information.

XV. Payment Plan

A. Ray will pay to Sandstone the Contract Price in installments consisting of an initial payment, progress payments, and a final payment on completion of the Work.

XVI. Initial Payment

A. Upon execution of this agreement, Ray shall pay to Sandstone \$41,350.00 as an advance on the Contract Price.

B. Anything else in this contract notwithstanding, no payment shall be made under this contract until Ray receives, in a form satisfactory to Ray, written acknowledgment by Subcontractors, Material Suppliers or consultants that Sandstone has assigned to the named Subcontractors, Suppliers or consultants all or a specific portion of the initial payment.

C. Sandstone may use the initial payment to buy materials for the Jessamine, for pre-construction expenses, and to cover a portion of the fee for doing the Work.

D. Except as otherwise provided in this agreement, Sandstone may retain \$4,000.00 from the initial payment as a non-refundable deposit if this contract is terminated for any reason other than default by Sandstone.

E. An additional and non-refundable payment of \$20,675.00 is due and payable to Sandstone on 3/21/2022.

XVII. Progress Payments

A. Schedule of Progress Payments

1. Initial payment 50%
25% after rough ins
25% @ final

B. Processing of Progress Payments

1. No less than 3 calendar days before each progress payment is due under the terms of this contract, Sandstone shall provide Ray with an application for payment (invoice) in a form which complies with generally accepted trade practice.

2. Except as provided otherwise in this agreement, Ray shall pay the amount due within 3 calendar days after approval of any application for initial, progress or final payment.

3. Unless otherwise provided in the Contract Documents, applications for payment may include, at the option of Sandstone, itemized charges for materials and equipment not yet incorporated in the Work but delivered and suitably stored on the Job Site. Application for payment for stored materials and equipment shall include a bill of sale or other confirmation that stored materials and equipment are the property of Ray.

4. Ray may withhold payment while Sandstone is in material breach of this contract.

XVIII. Payment for Materials Stored Off-Site

- A. Except as otherwise provided in the Contract Documents, cost of materials and equipment to be incorporated into the Work which are stored off the Job Site may be included in an application for payment.
- B. Sandstone shall not be relieved of responsibility for loss or damage to materials stored off the Job Site or while being transported to the Job Site. Any such loss or damage shall be remedied at the expense of Sandstone. Transportation of materials or equipment stored off the Job Site is at the expense of Sandstone.

XIX. Cost-Plus Reimbursements

A. Reimbursement of Subcontract Costs

- 1. Except as provided elsewhere in this contract, the cost of all Subcontracts and all services reasonably necessary to complete the Jessamine shall be reimbursable expenses and shall be included by Sandstone in applications for payment. Reimbursable service expenses shall include insurance and Bond premiums, finance charges, utility charges, fuel, reproduction services, permits, testing and Inspection fees, finance charges, penalties and forfeitures (unless due to negligence of Sandstone or a Subcontractor), professional and consulting fees, royalties and license fees, debris hauling and tippage charges, engineering and accounting service fees, legal, mediation or arbitration expenses (other than those arising from disputes between Sandstone and Ray), and scheduling charges reasonably necessary to complete the Work.

XX. Liens and Waivers

- A. Within 7 calendar days after receipt of funds from Ray for Work done by a Subcontractor or materials provided by a Material Supplier, Sandstone will either (1) Pay for that Work and those materials, or (2) Notify the Subcontractor or Material Supplier, in writing, of the intention to withhold all or some portion of the payment due and explain why payment is being withheld.

XXI. Waivers of Lien

- A. With each application for payment, Sandstone shall provide to Ray (1) Conditional waivers of lien from Sandstone, from each Material Supplier, and from each Subcontractor to the Jessamine confirming payment for all Work and materials covered by the application, and (2) Certification from each Material Supplier and Subcontractor covered in a prior application for payment that previous conditional waivers of lien have become unconditional. Waivers of liens shall be in a form satisfactory to Ray, title insurer, and lenders. Sandstone shall furnish any supplemental waivers of lien as may be reasonably required by Ray, title insurer, or lenders. Conditional waivers of lien become unconditional on receipt of the payment which is requested.
- B. Waivers of lien provided by Contractor, Subcontractor, tradesmen or Material Suppliers extend solely to the Work described in the Contract Documents and not to Extra Work, except as otherwise provided in the waiver of lien.
- C. All waivers of lien provided to Ray under this agreement are limited to Work completed. Conditional or partial waivers of lien do not become unconditional until payment has been received in full for Work described in the payment request.

XXII. Settlement of Lien Claims

- A. No right of Ray to reimbursement from Sandstone or deduction from payments due Sandstone for a

lien Claim on the Jessamine shall arise so long as the Work which is the subject of the lien Claim is in dispute resolution, mediation, arbitration or litigation.

XXIII. Details on Lien Claims

- A. Sandstone warrants and guarantees that the Jessamine will be completed free of liens. Claims, security interests, and encumbrances of Subcontractor, tradesmen and Material Suppliers working under direction of Sandstone on the Jessamine.
- B. By making application for payment, Sandstone certifies that Sandstone is unaware of any lien or property rights claimed on the Jessamine made or threatened under state Law by Subcontractors, Material Suppliers or tradesmen except as specified in the application for payment. Ray is entitled to withhold payment to Sandstone until such time as Sandstone makes full disclosure of all details concerning lien or property right Claims made or threatened on the Jessamine by Subcontractors, Suppliers or tradesmen.
- C. Sandstone agrees to deliver to Subcontractors, Material Suppliers and tradesmen for the Jessamine the following address for delivery of lien notices:
John Ray
655 Jessamine E
St. Paul, Minnesota 55106
- D. Ray has no obligation under this agreement to pay, monitor, or enforce the payment of money to Subcontractors or Material Suppliers to Sandstone, or tradesmen employed by Sandstone, except as required by Law.
- E. Sandstone acknowledges and agrees that at the time this contract is signed, no Work has been performed and no materials have been furnished for the Jessamine.

XXIV. Grounds for Withholding Payment

- A. Ray may withhold payment due Sandstone for Defective Work which has not been corrected in compliance with terms of this agreement.
- B. Ray may withhold from payments due Sandstone a sum adequate to reimburse Ray for any damage suffered by Ray or for which Ray may be liable and which was caused by an act or neglect of Sandstone or by anyone for whom Sandstone may be liable. Damage to Ray shall not constitute grounds to withhold payment if Sandstone has insurance coverage which would prevent loss to Ray from the damage claimed.
- C. Ray may withhold payment due Sandstone for unauthorized deviations from the Contract Documents or persistent failure to observe Requirements of the Contract Documents.
- D. Ray may withhold payment due Sandstone for neglect of Sandstone to obtain a required permit or license or to comply with applicable Law, ordinance, code, or regulation, providing such neglect of Sandstone has a material impact on satisfactory completion of the Jessamine in compliance with the Contract Documents.
- E. If Ray withholds any payment under terms of this agreement, Ray will notify Sandstone in writing of the amount being withheld, the reason why payment is withheld, and what must be done to release the payment otherwise due.
- F. Grounds entitling Ray to withhold certain amounts due Sandstone under this agreement shall not relieve Ray of the obligation to pay Sandstone other amounts then due and shall not relieve Ray of the

lien Claim on the Jessamine shall arise so long as the Work which is the subject of the lien Claim is in dispute resolution, mediation, arbitration or litigation.

XXIII. Details on Lien Claims

- A. Sandstone warrants and guarantees that the Jessamine will be completed free of liens, Claims, security interests, and encumbrances of Subcontractor, tradesmen and Material Suppliers working under direction of Sandstone on the Jessamine.
- B. By making application for payment, Sandstone certifies that Sandstone is unaware of any lien or property rights claimed on the Jessamine made or threatened under state Law by Subcontractors, Material Suppliers or tradesmen except as specified in the application for payment. Ray is entitled to withhold payment to Sandstone until such time as Sandstone makes full disclosure of all details concerning lien or property right Claims made or threatened on the Jessamine by Subcontractors, Suppliers or tradesmen.
- C. Sandstone agrees to deliver to Subcontractors, Material Suppliers and tradesmen for the Jessamine the following address for delivery of lien notices:
John Ray
655 Jessamine E
St. Paul, Minnesota 55106
- D. Ray has no obligation under this agreement to pay, monitor, or enforce the payment of money to Subcontractors or Material Suppliers to Sandstone, or tradesmen employed by Sandstone, except as required by Law.
- E. Sandstone acknowledges and agrees that at the time this contract is signed, no Work has been performed and no materials have been furnished for the Jessamine.

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- B. Ray may withhold from payments due Sandstone a sum adequate to reimburse Ray for any damage suffered by Ray or for which Ray may be liable and which was caused by an act or neglect of Sandstone or by anyone for whom Sandstone may be liable. Damage to Ray shall not constitute grounds to withhold payment if Sandstone has insurance coverage which would prevent loss to Ray from the damage claimed.
- C. Ray may withhold payment due Sandstone for unauthorized deviations from the Contract Documents or persistent failure to observe Requirements of the Contract Documents.
- D. Ray may withhold payment due Sandstone for neglect of Sandstone to obtain a required permit or license or to comply with applicable Law, ordinance, code, or regulation, providing such neglect of Sandstone has a material impact on satisfactory completion of the Jessamine in compliance with the Contract Documents.
- E. If Ray withholds any payment under terms of this agreement, Ray will notify Sandstone in writing of the amount being withheld, the reason why payment is withheld, and what must be done to release the payment otherwise due.
- F. Grounds entitling Ray to withhold certain amounts due Sandstone under this agreement shall not relieve Ray of the obligation to pay Sandstone other amounts then due and shall not relieve Ray of the

obligation to pay in full when the reason for withholding payment no longer exists.

G. Should any mediation, arbitration or court proceeding determine that Ray was not justified in withholding payment to Sandstone, the amount wrongfully withheld shall be treated as an unpaid balance and accrue interest as provided by Law or this contract from the calendar day payment was wrongfully withheld.

XXV. Final Payment

A. Sandstone will submit an application for final payment to Ray when the Work has been completed in compliance with the Contract Documents. If Ray agrees that Work has been completed, payment is due Sandstone for the entire unpaid balance of the contract amount.

B. Making of final payment constitutes waiver of all Claims by Ray against Sandstone except those Claims previously made in writing and delivered to Sandstone and those obligations otherwise provided by this agreement or by operation of Law.

C. The acceptance of final payment by Sandstone constitutes a complete and unconditional waiver and release of any and all Claims by Sandstone of whatever nature, and regardless of whether they are then known or unknown, and a complete and unconditional release of Ray, and every person for whom Ray is responsible, for any and all matters related to the contract or otherwise, except those Claims which have been made in writing and identified by Sandstone as not having been settled at that time.

D. Ray has no obligation to make final payment until all Punch List items have been satisfactorily completed unless Ray agrees to accept a certified check equal to the value of any uncompleted Work.

E. Application for final payment constitutes affirmation by Sandstone that all payrolls, bills for materials, equipment charges, and other obligations of Sandstone in connection with the Work have been paid or otherwise satisfied.

F. If completion of the Work is delayed unreasonably at no fault of Sandstone, Sandstone shall be entitled to final payment for all Work completed without prejudice to the right of Sandstone to complete the Jessamine at a later date and without prejudice to the right of Ray to make Claims against Sandstone for Defects in Work completed.

XXVI. Cooperation of the Parties

A. Ray and Sandstone acknowledge that open communication and cooperation will be required to complete the Jessamine on time, as estimated, and in compliance with the Contract Documents. Sandstone and Ray each agree to identify a representative who will be available to resolve minor problems, answer questions and reach mutually acceptable solutions. The individuals identified by Sandstone and Ray shall try to reach informal agreement on problems as they arise but are under no obligation to do so.

B. Both Sandstone and Ray pledge that their relations will be conducted with courtesy and consideration in an environment characterized by mutual respect. Ray pledges to respond promptly to requests by Sandstone for guidance, assistance and payments when due and agrees to extend to Sandstone the deference and latitude a dedicated professional deserves. Sandstone pledges to commit the skill and resources required to complete the Jessamine in a manner that complies with both the letter and spirit of the Contract Documents and enhances the reputation of Sandstone for dependability and professionalism.

XXVII. Housing Statutory Warranty

A. In compliance with Minnesota Statutes § 327A.01 to § 327A.08 (Housing Statutory Warranties Act), Sandstone warrants to Ray that:

1. For major structural changes or additions to a residential building:
- I. During the one-year period from and after completion, the home improvement shall be free from defects caused by faulty workmanship and defective materials due to noncompliance with Minnesota building standards; and
- II. During the ten-year period from and after completion, the home improvement shall be free from major construction defects due to noncompliance with Minnesota building standards.
2. For installation of plumbing, electrical, heating or cooling systems, during the two-year period from and after completion, the home improvement shall be free from defects caused by the faulty installation of the system or systems due to noncompliance with Minnesota building standards.
3. For work not covered by paragraph (1) or (2), during the one-year period from and after completion, the home improvement shall be free from defects caused by faulty workmanship or defective materials due to noncompliance with Minnesota building standards.

B. The Housing Statutory Warranties Act excludes from coverage (1) loss or damage not reported within six months, (2) defects in owner-supplied or installed materials, (3) personal injury or property damage, (4) normal shrinkage, (5) dampness due to poor ventilation, (6) negligence by other than Sandstone, (7) changes in grading by other than Sandstone, (8) insect damage, (9) poor maintenance, (10) failure to minimize damage, (11) losses when the building is not used as a primary dwelling, (12) acts of God, (13) soil movement covered by legislation or insurance, (14) existing soil conditions, (15) existing defects not caused by home improvement. Minnesota Statutes § 327A.03 gives Sandstone the right to inspect and offer to repair any claimed defect. Warranty claims must follow the dispute resolution process provided by Minnesota Statutes Section 327A.051.

XXVIII. Contractor Claims

A. If Sandstone claims that any instruction, Drawing, act or omission of Ray or any representative of Ray, or any agency of government, increases costs to Sandstone, requires extra time or changes the Scope of Work, Sandstone shall have the right to assert a Claim for such costs or time.

B. Sandstone and Ray agree to make a good faith effort to resolve all Claims that arise under this agreement and shall seek the opinion of expert disinterested parties on the validity of Claims, when appropriate. Claims not resolved to the mutual satisfaction of Sandstone and Ray shall be resolved under the provisions of this agreement covering dispute resolution.

XXIX. Notice of Claims

A. No Claim by Sandstone shall be considered unless Sandstone provides Ray with a notice that there will be a Claim for additional compensation or an extension of time. This notice of Claim shall be made no less than 5 calendar days after Sandstone recognizes or should have recognized that circumstances exist which support such a Claim. The notice of Claim shall include: (1) The date of the notice, (2) The date the basis for the Claim was discovered, (3) The circumstances that support the Claim, and (4) The estimated additional cost to Ray or additional time required to complete the Jessamine.

B. Within 10 calendar days after completion of Work which is the subject of a notice of Claim, Sandstone shall provide to Ray a written final statement of Claim. The final statement of Claim shall

include: (1) The date of the statement, (2) The date when Work done under the Claim was completed, (3) The full and final amount of the Claim and the additional time Claimed, and (4) An offer to provide detailed written records substantiating each element of the Claim.

C. Neither mediation nor arbitration shall relieve the obligation of Sandstone to give timely notice of Claims. No conduct or settlement negotiation during mediation shall be considered a waiver of the right of Ray to assert that Claim procedures were not followed.

XXX. Arbitration

A. Any controversy or Claim arising out of or relating to this contract or contract warranty or the breach thereof which cannot be resolved by mediations shall be settled by arbitration. Any judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

1. Any controversy or Claim arising out of or relating to this contract or contract warranty or the breach thereof or a Change Order or addendum to this contract which cannot be resolved by mediations shall be settled by arbitration administered by the American Arbitration Association under its Construction Industry Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

B. If a dispute arises out of or relates to this contract or contract warranty, or the breach thereof, and if the dispute cannot be settled through negotiation, the Parties agree, in good faith, to first try settling the dispute by mediation administered by the American Arbitration Association under its Construction Industry Mediation Procedures before resorting to arbitration, litigation, or any other dispute resolution procedure.

C. Arbitration provisions of this contract shall be specifically enforceable.

D. The location of arbitration hearings held under this agreement shall be the county in which the Jessamine is located unless agreed to otherwise by all Parties to the arbitration.

E. Any representative of Ray or consultant to Ray or Sandstone or any Subcontractor to Sandstone on the Jessamine shall have the same rights in any arbitration proceeding as are afforded by arbitration rules to Sandstone and Ray. If more than one demand for arbitration is made by a Party with respect to the Jessamine, all such Claims shall be consolidated into a single arbitration unless the Parties otherwise agree in writing.

F. If a Claimant in arbitration recovers less than 50 percent of the amount demanded in arbitration, Sandstone and Ray agree that the Claimant shall pay all costs in arbitration, including the arbitrator's fees and the attorney's fees of the opposing Party.

XXXI. Insurance

A. General Requirements

1. Sandstone shall carry workers' compensation insurance and public liability insurance as required by Law and regulation for the protection of Sandstone and Ray during progress of the Work.

Insulation Disclosure (In Compliance with 16 CFR Section 460)

Sandstone makes the following disclosures in compliance with 16 Code of Federal Regulation Section 460. The Jessamine includes installation of the following thermal insulation:

Exterior wall insulation

Material type: R-19 Fiberglass

Thickness of insulation: 4

R-value of that thickness: R15

Approximate coverage area in square feet: 200

Coverage area includes framing members but not doors, windows or other large openings in the exterior frame. R-values may be less where building components limit placement of insulation. For example, it may not be possible to place insulation at building corners, at fireplaces and around the perimeter of doors and windows. Listed R-values are based on information supplied by the insulation manufacturer. Sandstone may have to substitute other materials but will maintain the R-values described here.

Signatures

The signatures that follow constitute confirmation by those signing that they have examined and understand the Contract Documents and agree to be bound by the terms of these documents.

This contract is for immediate acceptance. Any delay in acceptance beyond 2/25/2022 will require renegotiation of the terms of this agreement.

If this contract is not signed by Sandstone at the time it is signed by Ray, Sandstone shall, within 15 days thereafter, either give Ray written notice of rejection of the contract or sign the contract and supply owner with copy of the signed contract. The notice of rejection or signed contract will be delivered to Ray either personally or by certified or registered mail. In case of rejection, any payment made by Ray will be returned with the notice of rejection.

Pre-Lien Notice Required by Minnesota Statutes Section 514.011(1)

- (a) Any person or company supplying labor or materials for this improvement to your property may file a lien against your property if that person or company is not paid for the contributions.
- (b) Under Minnesota law, you have the right to pay persons who supplied labor or materials for this improvement directly and deduct this amount from our contract price, or withhold the amounts due them from us until 120 days after completion of the improvement unless we give you a lien waiver signed by persons who supplied any labor or material for the improvement and who gave you timely notice.

This agreement is entered into as of the date written below.

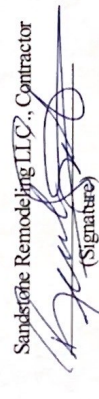
John Ray, Owner

(Signature)
2/23/22
(Date)

(Printed Name)

(Signature) _____
(Date)

(Printed Name)

Sandstone Remodeling LLC, Contractor

(Signature) 2/23/22
(Date)
Pete Smith
(Printed Name and Title) President

OLD NATIONAL BANK
 P. O. Box 718
 Evansville, IN 47705

00157046 FP264302012211065900 01 0000000000 0157046 003

JOHN E RAY
 1219 BIDWELL ST
 WEST ST PAUL MN 55118-2211

00157046 0526979 0001-0002

MARKET MONITOR
ACCOUNT INFORMATION
DATE
ACCOUNT NUMBER

CLIENT CARE CONTACT INFORMATION
Client Care: 800-731-2265
Visit us Online: www.oldnational.com
Written Inquiries: P. O. Box 419 Evansville, IN 47703

ACCOUNT SUMMARY	
Previous Statement Balance	12/31/2021 \$450,279.76
Deposits/Credits	0 \$0.00
Withdrawals/Debits	0 \$0.00
Total Service Charges	\$0.00
Interest Paid	\$19.12
Current Statement Balance	01/31/2022 \$450,298.88
Days in Statement Period	31

OVERDRAFT CHARGES SUMMARY	
THIS CYCLE	
Total Overdraft Fees	\$0.00
Total Returned Item Fees	\$0.00
YEAR TO DATE 2022	
Total Overdraft Fees	\$0.00
Total Returned Item Fees	\$0.00

DEPOSITS AND OTHER CREDITS		
DATE	TRACER TRANSACTION DESCRIPTIONS	AMOUNT
01/31	999 INTEREST PAYMENT	\$19.12

DAILY BALANCE SUMMARY			
DATE	BALANCE	DATE	BALANCE
12/31	\$450,279.76	01/31	\$450,298.88



www.oldnational.com

00157046 0526979 0001-0002 FP264302012211065900 01 L 00157046