

DESIGN-BUILD PROFESSIONAL SERVICES AGREEMENT

This Design-Build Professional Services Agreement (PS Agreement) is entered into by and between Evolutionary Home Builders, LLC, an Illinois Limited Liability Company (“EHB”), and Eric Whetzel and Anita Lee, husband and wife (“Client”), with regard to the following construction project:

Whetzel / Lee Custom Home
Address TBD near Palatine, IL

Project Goals:

The goal of the parties is to build a well-constructed, healthy, super energy efficient and sustainable home at an economical price. Obtaining Passive House certification has been discussed as a preliminary Client goal, but at this stage it is still too early to predict the likelihood of achieving this goal without knowing more about what tradeoffs regarding the quality and expense of finishes Client is willing to make to achieve this goal. We can guarantee a blower door result of less than .6ACH@50 pascal as the performance metric set forth by the Passive House Institute US, and some nationally recognized third party green building standard certification.

The preliminary understanding of the Client’s space requirements is as follows:

- First floor finished floor area Approximately 1600 square feet
- Detached garage: Suitable for 2 cars
- We will use clients supplied design layout as basis for design work.

Square footage calculations are based on outside if wall dimensions for each level.

The preliminary understanding of the Client’s budget goal is as follow:

\$325,000-\$350,000 – Cost to construct house (including Design-Builder’s Construction fee)
\$20,000-\$30,000 – Cost to construct garage (including Design-Builder’s Construction fee)
\$30,000 – Cost of Design-Build Professional Services Agreement

\$375,000 - \$410,000 – Total cost to construct house and detached garage

EHB will work diligently to help Client achieve this goal, but since the exact building site, design, and finishes have not be selected EHB does not guarantee that a home meeting all of the Client’s aesthetic and functional expectations can be built for the Client’s budget goal.

It is the understanding of the parties that the cost to construct the house and detached garage does not include the price of the lot, financing costs, any impact or permitting fees, landscaping (including hardscaping), or site improvements other than bringing public water, sewer and power to the building. Furthermore, it is based on the assumption that the local municipality will not require a fire protection system or any other extraordinary requirements beyond typical compliance with the building code, that no unsuitable soils or environmental remediation issues are encountered, and that the square footage of the driveway is not excessive.

Scope of Work for Phase One:

We anticipate providing preliminary design-build services per the following process:

STEP ONE:

PRE-DESIGN CONSULTING AND INFORMATION GATHERING:

We will:

- Provide recommendations regarding site selection;
- Study Zoning and Building code issues that relate to the site selection process;
- Hold a meeting with you to establish more precisely your space needs, overall project budget, and project performance goals (e.g., Passive House Certification).

STEP TWO:

CONCEPTUAL DESIGN AND SURVEY:

Once you have selected a lot and are proceeding with the purchase process, we will:

- Prepare initial design studies flushing out your design sketches, and proposing refinements and alternate design(s) for review with you;
- Retain the services of an engineering firm to prepare a topographical survey of the lot;
- Hold a meeting with you to:
 - Discuss structural, mechanical, and electrical concepts
 - Discuss preliminary cost projections
 - Receive your approval to proceed to permit design.

STEP THREE:

PERMIT DESIGN AND SUBMITTAL:

We will:

- Prepare a site plan, floor plans, section(s) and exterior elevations;
- Define material, structural, mechanical, lighting, and plumbing concepts;
- Prepare a preliminary cost estimate;
- Assist the Client with construction loan processing by providing documents required from the design-builder;
- Hold a meeting to review permit drawings before submitting for permit;
- Following receipt of your approval and comments, we will prepare the drawings and specifications needed to submit for a building permit.
- Run energy modeling of proposed design in Passive House Planning Package Software

STEP FOUR:

PERMITTING AND CONSTRUCTION DRAWINGS:

We will:

- Submit the architectural drawings for permit (but payment of all permit fees required by the local municipality or utility company shall be the responsibility of the Client);
- Respond to building department comments, and make any necessary changes before resubmitting plans to the Building Department for final approval;
- Prepare a set of drawings and specifications suitable for construction;
- Finalize the project construction budget and construction schedule.

Fees:

In consideration for the services as detailed above, when this PS Agreement is executed the Client shall pay EHB a non-refundable fee of \$30,000 (Thirty Thousand Dollars) that shall be the minimum due under this agreement.

Architect:

EHB will engage _____ as the Architect to provide architectural services under this PS Agreement. EHB agrees to pay all fees to the Architect for this project and will own the copyright to the architectural plans. Client shall not direct or control the work of the Architect, but will engage with EHB as design builder.

Information Regarding Next Phase (“Phase Two”):

The highest quality of product, service, and work environment is created with an early integrated team approach between Client and Design-Builder. EHB has been selected as the design-builder by Eric & Anita Whetzel, and Client agrees to hire EHB to construct any home they build within the next two years near Palatine, IL.

Once the Client approves the final project construction budget, EHB will present Client with a detailed Design-Build Construction Agreement to coordinate, manage and construct the project. The Design-Build Construction Agreement will be a Fixed Cost. All selections that were not completed prior to bidding will be finalized and allotted allowances applied accordingly. The balance of items to be addressed at this time are typically a) finalize cabinet details, b) electrical options, c) paint colors, d) final tile layouts and design, e) millwork final details, and g) low voltage details.

A deposit equal to 15% of the total remaining cost of construction will be due at the signing of the Design-Build Construction Agreement. If the construction is being financed with cash, the balance of the design-build construction agreement amount must be placed in escrow when the Design-Build Construction Agreement is signed and prior to the start of any construction.

After the Design-Build Construction Agreement is signed, additional deposit monies are received, construction financing is in place or cash to finance construction is placed in escrow, and a permit is issued, construction will begin. During construction, there will be monthly draws.

Termination:

EHB has the option to terminate this PS Agreement and retain all fees if (a) within one year from the signing of this agreement Client has not yet purchased a lot suitable for building a new home, or (b) within 90 days after the issuance of a construction permit Client is unable to show proof of construction financing or a proof of funds statement acceptable to EHB.

Prior to terminating this PS Agreement, EHB must provide 10 days written notice to the Client of its intent to terminate.

Limitation of Liability:

The Client agrees for this phase of the work to limit liability arising from negligent acts, errors or omissions such that the total aggregate liability of the EHB shall not exceed the EHB’s total fee for this phase of the work.

Dispute Resolution:

All claims, disputes and other matters in questions arising out of, or relating to this PS Agreement or the breach thereof or default thereunder, shall be decided by arbitration before the Northern Illinois Home Builders Association (“Association”) pursuant to the rules and procedures established by said Association for the arbitration of such disputes.

Assignment:

Neither the Client nor EHB shall assign this agreement without the written consent of the other party.

Severability:

If any provision or clause of this agreement or the application thereof to any person or circumstances is invalidated, such invalidity shall not affect other provisions or applications of this agreement which can be given affect without the invalid provisions or applications.

Entire Agreement:

This agreement expresses all agreements between the parties concerning the subject matter hereof and supersedes all previous understandings relating hereto, whether oral or written, and shall be binding upon and shall inure to the benefit of the heirs, administrators, executors, successors and assigns of the parties hereto.

The next step is to sign this PS Agreement and forward payment to start the process.

Evolutionary Home Builders, LLC

Client:

By: _____
Brandon Weiss, President

By: _____
Eric &/or Anita Whetzel

Date _____

Date _____

Address: 200 S. 3rd Street
Geneva, IL 60134

Address: _____

Telephone: (630) 485-1818

Telephone: _____