

R.J. DILL BUILDING & DEVELOPMENT

11260 Hillsboro Drive
Huntley, Illinois 60142
(847)669-2041

DESIGN CONTRACT

Agreement Between Owner and Contractor

AGREEMENT made as of this ___th day of July in the year of Two Thousand Twelve between the Owners, Mr. & Mrs. Jones and R.J. Dill Building & Development , hereafter referred to as the Contractor, for Design of a 2,500 square foot Custom Residence located at 18314 Saddle Lane, Lot 11 Coral Trails Subdivision, Marengo, Illinois.

ARTICLE I - Purpose

- 1.1 R.J. Dill Building & Development is a full service custom builder that specializes in the design and construction of custom homes. The purpose of this Design Contract is to set forth and clarify the three (3) phases of the design process and to agree to a price for the completion of each of these phases.
- 1.2 In the event that the Contractor enters into a Contract to build the house for the Owners, then all “In-House” costs paid for in the Design Contract shall be credited to the Owner.

ARTICLE II - Phase 1 Product Definition

- 2.1 During Phase 1, Contractor and Owner will define the house that will be designed during Phases 2 - 3.
- 2.2 The following activities will occur during Phase 1:
 - * Initial meeting with the Owner to collect all existing information about the proposed house such as floor plans, sketches and ideas that the Owners already have.
 - * Review of house requirements including size, number and type of rooms, style, number of stories, basement and garage requirements.
 - * Establish a target budget including land costs, house costs, financing and soft costs.
 - * Review the Owners' building lot, including a field visit as required, to determine the initial feasibility of constructing the house on the lot.
 - * If Owner does not own a lot, the Contractor will assist the Owner in screening potential lots and in providing information on lots for sale in the location and price range desired by the Owner.

- * The Contractor will provide the Owner with information on construction and permanent financing and assist the Owner in making contact with suitable lending institutions.
- * Establish a time table for completion of Phases 2 - 3 and determine information to be provided by the Owner during these Phases.

ARTICLE III - Phase 2 1/4" Scale Sketch Plan

3.1 The purposes of Phase 2 are to produce a 1/4" scale sketch plan including floor plans and front elevation, to develop a preliminary site plan, to complete a client specification work sheet detailing materials and quality level to be included in the house and to prepare a preliminary cost estimate.

3.2 Sketch Plan - The sketch plan will be a 1/4" = 1' scale drawing of the first and second floor plans and front elevation. The floor plans will show room sizes and locations, exterior windows and doors; closet, stair/hallway circulation patterns, kitchen and bathroom layout. The front elevation will show roof style, exterior siding material and window style.

3.3 Site Plan - The preliminary site plan analysis will include determination of basement walkout feasibility, solar orientation, garage and driveway location, zoning and other setback requirements, analysis of covenants restrictions, availability of utilities and privacy considerations. The Owner shall supply information on record plat, topography and covenants.

3.4 Client Specification Worksheet - The worksheet will be filled out and discussed with the Owner. Information from the worksheet will be used in determining the cost estimate.

3.5 Review and Redraw - After completion of the above described products the Owner and Contractor shall meet to review the products. Based on this review and a decision by the Owner to continue to Phase 3, the Contractor will do a one time revision of the products which will then become the basis for work in Phase 3.

ARTICLE IV - Phase 3 Final 1/4" Scale Drawings

4.1 The Contractor shall produce the following items during this Phase:

- * Final 1/4" = 1' scale drawings of floor plans and elevations which are fully dimensioned
- * Structural information including footing layout, beam and column sizes, framing plans with material size, spacing and grade, detailed wall sections and roof structural plan
- * Electrical plan including lighting layout and switch and plug layout
- * Septic Design and Site Plan suitable for Building Permit submission

ARTICLE V - Payment Schedule

- 5.1 A \$2,000.00 deposit is due at the end of Phase 1. The balance shall be due at the completion of Phase 3.
- 5.2 The Owner may terminate this Contract at any time and upon such termination shall pay the Contractor in full for any Phase which has been started at the time of termination.
- 5.3 Schedule of Payment for a 2,500 square foot home example:

	<u>Builder In-House Services</u>	<u>Designer/ Architect Services</u>
Phase 1: Product Definition	No Charge	No Charge
Phase 2: 1/4" Scale Sketch Plan	\$500.00	\$1,000.00
Phase 3: Final 1/4" Scale Drawings Septic design & site plan	\$400.00 \$1,000.00	\$2,125.00
Totals	<u>\$1,900.00</u>	<u>\$3,125.00</u>

Note A: The Designer/architect Services fee has been determined by estimating the target finished square footage of the living areas of the home, excluding decks, porches and unfinished lower levels, and then using \$1.25/sq.ft. to arrive at a total design cost. At the end of Phase 3 an adjustment will be made to this fee should the actual size of the home vary from the estimated size. If project is started using an existing drawing, design fee shall be time and materials not to exceed \$1.25/sq.ft.

Note B: If Owner signs a contract with R.J. Dill Building & Development to construct this home, the In-House Design and Designer/Architect costs will be credited towards the construction contract.

- 5.4 Additional Services - If the Owner authorizes the Contractor to perform additional design work not covered in this Contract such as Lot Surveys, Tree Surveys, Additional Revisions of Plans and Creation of Additional Elevations for Review then the following schedule of charges will be used

R.J. Dill Building & Development - Principal \$75/hr.

Designer/Architect \$80/hr.

Draftsman \$50/hr.

Secretary \$18/hr.

Survey Crew (2 Man) \$95/hr.

Architect/Engineers Stamp (if required) \$600.00

ARTICLE VI - Product Ownership and Liability

6.1 The Plans and Specifications have been developed by R.J. Dill Building & Development for its sole use and are copyrighted. The Owner absolves the Contractor of any responsibility for the completeness or accuracy of these plans if the house is not built by the Contractor. If the Owner chooses not to build the house with the Contractor but wishes to obtain originals of the Plans and Specifications, they may do so at an additional cost of \$500.00 plus 100% of the final invoiced In-House Services Expenses. If R.J. Dill Building & Development builds this house for clients other than owner, house will not be in the same subdivision as owners house, owners will be paid the sum of \$500.00.

This Contract shall constitute the sole and entire Agreement between the parties whose signatures are affixed below.

Mr. Jones DATE

R.J. DILL BUILDING DATE
& DEVELOPMENT

Mrs. Jones DATE