

CONSTRUCTION AGREEMENT

This Construction Agreement ("Agreement") is entered into this ____ day of _____, _____, by [NAME OF CONTRACTOR], a Colorado corporation having offices at [insert address of contractor] ("Contractor"), and [NAME OF OWNER(S)] whose address is [insert address of property owner(s)] ("Owner").

NOW, THEREFORE, in consideration of the mutual promises and covenants contained hereinafter, the parties hereto agree as follows:

Article I - Structure and Site

1.1 Contractor shall furnish all labor and materials necessary to construct a single family residence (the "Dwelling") upon the following described property:

Lot ##, Parcel ##, Filing ##, Subdivision [subdivision], [county] County, Colorado, also known as [street address] ("Lot"),

which Owner warrants he/she owns, free and clear of all liens and encumbrances.

Article II - Contract Documents

2.1 The documents on which this Agreement is based (the "Contract Documents") are as follows:

- (a) this Agreement;
- (b) the plans, drawings and specifications for the Dwelling (the "Plans"), with any addenda attached to such plans, drawings and specifications; and
- (c) any amendments made to the Plans and agreed upon by the parties after the effective date of this Agreement as evidenced by any change order as described in Section 2.5 below.

2.2 The Contract Documents, taken together, form the contract for the work described in this Agreement. The parties intend that the Contract Documents include provisions for all labor, materials, equipment, supplies, and other items necessary for the execution and completion of the construction of the Dwelling, and all terms and conditions of payment.

2.3 Should Contractor claim that any instructions, by drawing or otherwise, involve extra work not covered by the Contract Documents, it shall promptly give written notice of such claim to Owner before proceeding to follow such instructions, and no such claim shall be valid unless so made.

2.4 In the event Owner requires extra work not covered by the Contract Documents, Owner shall promptly give written notice to the Contractor.

2.5 No alterations to the Plans or extra work shall be undertaken under this Agreement without a written Change Order signed by Owner, approved by Contractor, which Change Order shall expressly state the cost of such alteration or extra work.

2.6 For all extra work of every description that may be ordered, including but not limited to costs exceeding allowances, which is not covered by the Contract Documents, but is evidenced by a written Change Order, the Owner shall pay Contractor the actual cost of the materials furnished and labor performed for such extra work plus ____ percent (##%) for profit, use of tools or equipment, general supervision and/or any other overhead and fixed charges.

2.7 Should Contractor and Owner disagree as to the cost of the extra work, Owner shall notify Contractor in writing of such dispute and Contractor shall refer such dispute, for final and binding arbitration, to the American Arbitration Association.