



Contract Document - 103

FIXED FEE CONTRACT—Contractor’s Lot

This Contract dated _____ is made by and between these parties:
_____, referred to as the "Contractor",
and _____,
who is/are referred to as the "Purchaser(s)".

The Contractor’s business address _____
The Contractor’s Telephone number _____
The Contractor is licensed (or registered) in ____ (state), license (reg.)# _____
Additional identification information if applicable _____

The Purchaser(s) address(es) _____

The Purchaser(s) Telephone number(s) _____

The Contractor is possessed of a parcel of real estate, located at the following
address _____,
more particularly described as: _____
_____ (legal description)

This parcel will be referred to as the "Premises" in this Contract.

1. SCOPE OF THE WORK

The Contractor agrees to construct a single family residence ("Home") upon the Premises in accordance with the attached plans and specifications, marked Exhibit A and made part of this Contract, and to sell and convey the real property and completed improvements to the Purchaser(s). The Contractor shall furnish all the labor and materials for such work, and shall obtain and bear the cost of all required building permits.

2. SURVEY AND TITLE

In conjunction with any mortgage approval process, or if none at closing, the Contractor will furnish to the Purchaser(s) a current survey of the lot prepared by a licensed land surveyor showing all boundaries, easements, and such other topographical features as may be required by the mortgage lender or governmental entity, as applicable, along with a report of title prepared by a licensed title company listing the exceptions to title, including deed restrictions, subdivision covenants and fees, recorded easements, mortgage and tax liens, and such other encumbrances that affect the Premises.

3. COMPENSATION

The fixed Contract price for the purchase of the real estate and the construction of the dwelling is: \$ _____

*Note – Any additional costs that may be incurred resulting from escalation charges and fuel surcharges (section 4), Purchaser(s)' delay administrative fees (Section 3), pricing request administrative fees (section 9), or Purchaser-approved change orders (section 10), are stand-alone, separate payment items, and will not be reflected by an adjustment to the contract price.

Deposit - Upon execution of this Contract, the Purchaser(s) shall pay to the Contractor a Deposit in the amount of \$ _____. If the Purchaser(s) defaults on the Contract by failing to close, the Contractor may at its sole option pursue all legal remedies, or may retain the deposit as liquidated damages. Since actual damages would be difficult to precisely determine, it is agreed by the parties that this is a reasonable estimate of the damages that the Contractor would incur if the Purchaser(s) defaulted.

FINANCING CONTINGENCY - This Contract is contingent on an escrow of cash resources by or on behalf of the Purchaser(s) sufficient to match the contract price less deposit, or on the Purchaser(s) obtaining a mortgage loan commitment from a licensed mortgage originator within _____ days after the Contract date in the amount of \$ _____. Purchaser(s) will use all reasonable diligence to obtain loan approval, and shall pay all loan expenses. In the event that the Purchaser(s) fails to escrow sufficient funds, or to obtain construction loan approval after a diligent, good faith effort, either party may by written notice to the other cancel this Contract, and Purchaser(s) shall be refunded the Deposit.

Purchaser(s)' Delay - Administrative Costs - The parties acknowledge that the Contractor will incur administrative business costs for time that may be spent idle while awaiting a required decision or action by the Purchaser(s). Therefore, it is agreed that should the Purchaser(s) fail or refuse to decide or act in a timely fashion as may be required under this Contract, the Purchaser(s) shall pay the Contractor's administrative business costs of \$ _____ for each day of delay, due and payable at closing.

Payment at Closing - Payment of the remainder of the Contract price, and any additional stand-alone payments that have remained unpaid, to include but not limited to, any remaining change order costs, unforeseen site condition expenses, escalation charges, fuel surcharges, or administrative costs, if any, shall be due and payable at closing, but should any remain unpaid they shall survive closing.

(OPTIONAL) - 4. ESCALATION CHARGES AND FUEL SURCHARGES

Subsequent to the date of the Contract, any rise in the total cost of an individual item of labor, building material, and/or equipment rental used in performance of this Contract that equals or exceeds five percent (5%) (or alternatively _____ %) of the original Contract price may at the sole discretion of the Contractor be added to the fixed Contract price. Any escalation charge shall be supported by the Contractor's affidavit of costs incurred and all applicable invoices.

Any fuel surcharges imposed on the delivery of construction materials to the construction site may at the sole discretion of the Contractor be added to the fixed Contract price. Any fuel surcharge shall be supported by the Contractor's affidavit and applicable invoices.

5. PROJECT PLANS - COPYRIGHT

The ownership of architectural plans and drawings are protected by U. S. Copyright law which imposes liability on both Contractors and Purchaser(s) for unauthorized use.

The Contractor represents and warrants that the copyright for any plans or drawings, including preliminary designs, that have been furnished by the Contractor are either