

**DATE**

**NAME**  
**ADDRESS**  
**CITY, STATE ZIP**  
**PHONE**  
**E-MAIL**



**Re: Design Proposal**

Dear \_\_\_\_\_:

Introduction

Description of Proposed Renovation

Preliminary Budget range organized by project

The above budgets are based upon our experience in the remodeling industry and upon our understanding of the likely scope of your project. The actual construction price will be determined by the final design with your input, subcontractor pricing as well as the fixtures and finishes chosen.

To complete construction, you will need a full set of working drawings for any or all of the above scope of work. The design fee of \$\_\_\_\_, itemized by project above, is an additional costs based upon 10% of the midpoint of the construction range. Payment schedule for the scope of work and services described above is based upon three phases of the design process: 2/5 (\$\_\_\_\_) for Phase 1 (schematic architectural plans and interim pricing), 2/5\*\* (\$\_\_\_\_) approval of interim pricing, commencement of Phase 2 (design development and revised pricing), and the balance of 1/5 (\$\_\_\_\_) upon delivery of permit drawings and the construction proposal.

The design fee will be recalculated after the schematic design phase to reflect the dollar value of the interim estimate.

Should additional design time be necessary due to an increase in scope or additional customer requirements after the schematic design has been approved, you will be informed and provided with an estimate of additional hours. Our hourly rate is \$100. The construction estimate will be revisited as the design process proceeds. In the event that a soil engineer, land surveyor, arborist or structural engineer is required for permitting or construction purposes, an additional fee will

be required.

The permit will be secured during the construction phase and its cost will be included in the construction contract. Any time necessary to prepare special materials and/or appear before the DC BZA (Board of Zoning Adjustment), Historic and/or Fine Arts review boards and/or local neighborhood commissions during the design phase is not included. This work will be billed at a rate of \$100/hr.

The drawings will consist of hard-lined, to scale, dimension drawings for obtaining permits and for proceeding with construction. They will contain the following:

1. Demolition plans
2. Construction plans
3. Elevations
4. Electrical and Plumbing plans as needed.
5. Details and sections as necessary
6. Other plans as needed

I look forward to working with you on your project and trust you won't hesitate to call me with any questions regarding this proposal. Please also review the attached terms and conditions of the design contract. If you're ready to proceed with the full scope of work, please sign below and return. If you would like to pursue a portion of the scope of work above, please let me know and we'll submit a revised proposal.

Sincerely,

**Ethan Landis, Principal, LEED AP, CR**  
**Landis Construction Corp.**  
202-370-3402 W  
202-489-1590 M  
[ethan@landisconstruction.com](mailto:ethan@landisconstruction.com)

**Paul Gaiser, AIA, Architect**  
**Landis Construction Corp.**  
202-370-3407 W  
202-425-0761 M  
[paul@landisconstruction.com](mailto:paul@landisconstruction.com)

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**Agreed (Customer's Name)**

**Date**

## TERMS AND CONDITIONS OF CONTRACT

***A Note About Landis Construction and our Commitment to Quality & Sustainability*** - Landis Construction is a fully integrated design/build firm. We build each project twice, once on paper and again in reality. With our architect managed design division working collaboratively with our experienced construction department, we are committed to excellence by design from inception through construction and any later warranty issues. Our process is driven by listening to our clients, understanding your needs and thoughtfully guiding you through the complex renovation process.

We are committed to employing sustainable, energy efficient and healthy construction methods, strategies and materials. As a matter of course, we generally specify top quality windows, highly energy efficient mechanical equipment, spray foam insulation and low voc and sustainable finishes wherever practical. During the design process, we can also explore options for making other parts of your home, not specified above, more energy efficient.

***Schematic Design Phase*** - Work to be performed during the Schematic Design phase of the project shall consist of measured drawings of the existing house and notes of existing conditions, as necessary to design the project and obtain permits through the local ***Authority Having Jurisdiction*** (AHJ). It will include a preliminary zoning review to evaluate what is within your rights to build within your jurisdiction. This phase will include producing scaled floor plans. If necessary, some exterior or interior elevations could be created for clarification, although, typically, these drawings are produced during the design development phase.

These plans will be of a preliminary nature and shall include enough information to indicate the general scope of work and the general massing and proportion of those spaces. The Interim Construction Estimate will be based upon these schematic plans and will provide an estimate of greater accuracy than the Preliminary Budget provided as part of the design proposal.

Landis Construction makes no promise, written or implied, that the schematic design estimate or the final cost of construction will fall within the range we have provided in this design proposal and agreement.

***Design Development Phase:*** Upon receipt of the second payment, and upon approval of a schematic design, Landis Construction will begin the Design Development Phase. This phase shall consist of refining the plans and elevations previously completed and developing exterior and interior elevations applicable to the area(s) of work. Exact proposed room and addition sizes, window and door schedules, reflected ceiling plans and other drawings for design clarification will be produced and presented to the client. In addition, we will be completing finish and fixture selections.

***Finish Selections*** – The design process shall include one full set of proposed finish selections (i.e. cabinets, appliances, tile, lighting, etc.) by the LCC design department for any items which are to be Landis Construction supplied. These selections shall be based upon the LCC's best understanding of the homeowner's taste, the aesthetic of the project and the function of the item. Any and all subsequent substitutions shall be the sole responsibility of the client(s) except in special circumstances. (Such circumstances could include an instance when the proposed item does not function for the proposed purpose and/or in the proposed location.) LCC shall confirm that the item functions in the proposed space. If the homeowner wishes for the design department to make further suggestions, this can be done on an hourly basis. Construction shall not commence until all of the key finishes are chosen.

It is during this phase that any historic or neighborhood requirements should be met, so as not to delay the building permit process. Presentations before historic, architectural, arts, or other committees and boards are not included in the Design Contract, unless expressly indicated. Time to prepare for presentations, travel time, and attendance at such committees and boards as necessary will be billed at an hourly rate of \$100.

Typically, obtaining a construction permit is part of the construction contract. However, if the project warrants, the process can be moved to this phase of design if clients schedule, and/or complexity of the project, warrants such expediting. Should the client agree to obtain permits prior to the completion of the drawings, the client will be provided with a cost estimate or allowance for permit submission and AHJ fees. LCC makes no guarantees regarding the final cost of construction should the client desire to submit for permits prior to receiving a Construction Contract Proposal.

Upon completion of this phase of design, LCC will produce the Construction Contract Proposal. This document will give a detailed estimate of the cost of the design described in the Contract Drawings and will be broken down by trade, not by line item or by area.

**Construction Documents Phase-** The final phase of the design process is the production of Construction Documents. These drawings show sufficient detail for the design to be constructed by LCC as envisioned by the designer and you. They may consist of drawings from the previous phases with further refinements, construction details, framing plans, details of special conditions, finish and fixture schedules, and any other documents required by AHJ.

**Engineering/Consultants** – Consultants, such as Structural Engineers, Geotechnical Engineers, Acoustical Consultants, etc, that are requested by the client, and/or necessary at the designer’s discretion because of scope of work are not included in the cost of the Design Contract. The client will be provided with an estimated cost of the consultant’s services prior to the beginning of work. The client should be aware that changes in design or unknown conditions from that originally presented to the consultant may result in costs that are greater than those presented and will be sole responsibility of the client.

**Lead Paint** - As of April 2010, the US EPA’s **Renovation, Repair and Painting** (RRP) rule 40 CFR, part 745 requires that contractors working on houses constructed before 1978 become “*Certified Renovators*” and use lead paint safe renovation practices and procedures. Homes built before 1978 have a high likelihood of containing lead based paint particularly on woodwork since lead was an additive in oil based paint, not in water based paint. Appropriate measures will be taken before and during construction to identify, remediate and properly dispose of the lead paint and to contain and clean lead dust particulate in areas affected by construction. Landis Construction project managers have taken an EPA accredited Lead Renovator training course and have passed the “Certified Renovators” exam. Landis Construction is a certified firm # NAT-04165-1, under EPA’s RRR program.

**Insurance** – LCC maintains an insurance policy issued by Erie Insurance with limits for business liability of \$1,000,000. Gen. aggregate \$2,000,000, Workman's Compensation insurance and umbrella of \$5,000,000.

**Contractor Licenses** – LCC is licensed as a home improvement contractor in the District of Columbia (License #7040); Maryland (License Registration #46257); and Virginia (Class A License # 2705 092408A). References and copies of our current licenses are available upon request.

**Architectural Licenses** - Christopher Landis, a Principal of LCC, is a member of the American Institute of Architects (AIA) and is a licensed architect in the District of Columbia (License # ARC100497); Maryland (License # 13660); Virginia (License # 0401-007589); and New York (License # 019601).

**Ownership of Architectural Drawings** - The payment schedule below [40%/40%/20%] does not necessarily represent the actual distribution of design hours used during the design process. Often, especially for a “smaller” project, the majority of hours may be used during Phase 1.

Upon final payment of the Design Contract, the homeowners shall have the rights to a hardcopy of the drawings and to utilize the intellectual property contained within in the drawings, whether or not LCC is contracted for construction of the project. Homeowners and other contractors agree not to utilize the drawings for construction or any other purpose until payment for drawings completed to that point is received by Landis Construction in accordance with the terms of this design letter and agreement. The client is not authorized to sell the drawings to others or to give them away for use by others for construction on any other project or for any other purpose. LCC retains the rights to the full use of the drawings for the construction of your project and for future marketing purposes. LCC will not provide electronic copies of the CAD drawings to the client or any other party except as necessary for pricing the work and proceeding with construction.

**Errors & Omissions** – Landis Construction Corp.’s liability with regard to the architectural drawings is limited to completing the design if all payments are made. Under no circumstances is Landis Construction to be held responsible for making changes desired during the construction phase. Any changes in the design, after the design is approved, will be handled on a basis of \$100/hr.

Any third party which uses Landis Construction drawings to execute the construction, all dimensions and conditions shall be verified by that party. Landis Construction shall not be responsible for administering construction or for providing additional drawings to any other builder hired by the homeowner.

**Termination of Contract before commencement of design** - You may cancel this agreement by mailing a signed notice to Landis Construction. The notice must explicitly cancel the design contract and must be postmarked before midnight of the 3rd business day after you sign this contract. The notice must be mailed to: Landis Construction Corporation, 7059 Blair Road NW, Suite 300, Washington, D.C., 20012. If you cancel, the seller (Landis Construction) may not keep any part of your cash down payment.

**Termination of Design Contract after commencement of design work** – Homeowner may terminate the design contract at any point before substantial completion of the architectural drawings. Homeowners shall have the right to use the drawings as outlined in “**Ownership of Drawings**” section above. A reconciliation of design hours used to that point against dollars paid will be supplied. Homeowners will be refunded any hours paid for and not used or billed for hours completed and not paid for.

**Termination of Design Contract by Contractor** – Contractor may terminate contract at any point during the design phase for irreconcilable differences. Homeowner shall in such cases, have the right to collect any portion of deposit representing work not yet completed.

**Disputes** - The parties shall endeavor to resolve all disputes which arise out of or relate to this Agreement, or the breach thereof, by binding arbitration.

**FOR PROJECTS LOCATED THE DISTRICT OF COLUMBIA** - In the event of any disputes between the parties arising from this Agreement for projects in the District of Columbia, the parties agree that all such disputes shall be subject to binding arbitration through the auspices of the Multi-Door Dispute Resolution Branch of the Civil Division of the Superior Court of the District of Columbia and any and all such disputes shall be governed by the laws of the District of Columbia notwithstanding the location of the real property. If mutually agreed, another third party Arbitrator such as the BBB may be used.

**FOR PROJECTS LOCATED IN MARYLAND & VIRGINIA**- Any controversy or claim arising out of or relating to this contract or breach thereof shall be settled by arbitration in accordance with the BBB (Better Business Bureau) Rules of Binding Arbitration for Disputes Subject to Pre-Dispute Binding Arbitration Clauses, and the judgment upon the award rendered by the arbitrators may be entered into any court having jurisdiction thereof. Disputes alleging criminal or statutory violation are precluded from arbitration proceedings. Decisions reached by the arbitrator(s) will be based up on standards of fairness and/or application of the law. This Agreement to Arbitrate effects important legal rights, such as filing suit, and unless this arbitration clause is executed by customer initial or signature, the Agreement to Arbitrate is not mandated and therefore consent to arbitrate must be obtained prior to seeking resolution to any dispute. Further information about the arbitration process can be obtained by contacting the BBB at 202-393-8000.

For projects completed in Maryland, under Business Regulation Article, §8-405(c), Annotated Code of Maryland, a claim against the Home Improvement Guaranty Fund by an owner shall be stayed until completion of any mandatory arbitration proceeding.

There will be no cost to the customer for arbitration, though customer shall be responsible for their attorney's fees, if applicable.

Judgment upon the award rendered by the arbitrators shall be binding and may be entered into any court having jurisdiction thereof.

**Attorneys Fees** - In the event of any dispute hereunder, the prevailing party shall be entitled to recover its reasonable attorneys' fees, court costs and expenses.

**Late Payment** - Any payment balances left outstanding after 15 days from when they are due will have an interest charge assessed of 2% per month (24% annually) or \$150/month, whichever is greater.

**Hazardous Materials** - Contractor's scope of work does not include investigation or remediation of asbestos, lead, mold or any other hazardous material at the project or in the vicinity of the project.

**Concealed Conditions** - This Agreement is based solely on the observations Contractor was able to make at the initial meeting at the site. If additional concealed conditions are discovered once work commenced or after this Agreement is executed, Contractor will point out these concealed conditions to Owner, and they will be treated as Additional Work items under this Agreement.

**Construction** – Construction is a cost in addition to the cost of the design process, and vice versa. The terms of construction will be agreed upon with a separate agreement.

***A Note about Neighbors*** – Sometimes fences make good neighbors, but more often good communication does. Construction is a noisy and sometimes messy undertaking. It is imperative that you approach your neighbor(s) as soon as is realistic to share your renovation intentions. Keep your neighbor(s) informed through the design process as much as possible. Please inform Landis Construction of any neighbor issues or sensitivities so these can be addressed early on.

If your project includes an addition, particularly if you live in an attached home, your project may have consequences for the quietude of neighbors' daily lives. It may also have implications for a neighbor's property, sometimes positive and sometimes not. Certain scopes of work in certain municipalities require the notification and consent of neighbors (or, without consent, a longer waiting period). A hostile neighbor can not only make your entire project unpleasant, but can potentially slow down the entire process to a painful crawl. The costs of any neighbor negotiations, compromises or offerings are the sole responsibility of you, the homeowner.

***Direct Payment to LCC Subcontractors and Employees*** - The Owner and/or their representative agree not to pay directly or to directly retain the services of any employee or subcontractor of Landis Construction who has worked on or is scheduled to work on this project without the express prior consent of Landis Construction acting through its officers. This provision shall survive termination or completion of this Agreement and any subsequent construction agreement for a period of 12 months.

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**Agreed (Customer's Name)**

**Date**