

# **MASTER PURCHASE AGREEMENT**

jan-2026-001 - Campbell Ranch

January 24, 2026

## Document Summary

MASTER PURCHASE AGREEMENT - jan-2026-001 - Campbell Ranch

### Document Summary

This Master Purchase Agreement (Agreement) is made and entered into as of 2026-01-24, by and between [NOT PROVIDED], a Delaware limited liability company ('Company'), and Acme Development LLC, a CA LLC ('Client') (collectively the 'Parties').

This section gives Client an overview of what is being signed, what to expect, and what happens at each stage of the project. For full legal terms, refer to the full Agreement.

### What the Client is Signing:

**Client is entering into an agreement with Company for the design and purchase of 1 {{TEST\_VARIABLE\_ADDITION}} high-performance modular home(s). Services may include:**

- i. Offsite Services: Design, engineering, and manufacturing
- ii. On-Site Services: Shipping, delivery, installation, and site construction

### 1. Services:

The specific services selected are detailed in Section 1.1. This agreement starts with design only, with subsequent phases requiring Client approval to proceed.

### 2. Initial Payment:

- i. Design & Engineering Fee: 15000 - Due upon signing this agreement. Work cannot begin until it's paid.
- ii. This fee covers all site-specific design, engineering, development coordination, cost estimation, and permitting support needed to provide accurate final pricing, but excludes professional fees, such as Engineer's Stamping, Site Survey's, Soil Testing and Geotechnical.
- iii. Peace of Mind Guarantee: You pay only this fee until Green Light. If final pricing makes the project unfeasible, you can exit gracefully.

### What Happens Next

Phase	Description	Client Pays
Design & Engineering	Work starts after signing and payment of Design Fee. Company performs site-specific engineering, refines design, and develops accurate cost estimates for manufacturing and site work.	Design Fee (Paid at Signing)
Preliminary Estimates	At signing, you receive preliminary estimates for manufacturing and site work based on initial information. These are refined during design as actual conditions and requirements become clear.	No additional payment
Green Light Decision	Company presents final pricing: Manufacturing price (LOCKED) and refined site cost estimate. You decide whether to proceed to production.	If you proceed: Production payments per Exhibit C. If you exit: No further payment required.
Production & On-Site Work	If you approve Green Light, manufacturing begins at locked pricing. On-Site work proceeds per refined estimates (subject to change orders for unforeseen conditions).	See Payment Schedule (Exhibit C)

#### 4. Important Notes

- i. Preliminary estimates at signing are based on initial information. They will be refined during design as site conditions, design decisions, and permitting requirements become clear.
- ii. At Green Light, manufacturing pricing becomes LOCKED. Site pricing is refined to maximum accuracy but may be subject to change orders if unforeseen conditions arise.
- iii. You can exit after the design phase (before Green Light) having paid only the Design & Engineering Fee.
- iv. Optional design work (beyond the base scope) requires Client written approval and additional fees.

#### 5. Client's Responsibilities

- i. On-Site work: choose to have this included in the contract or hire your own licensed General Contractor to prepare the project site
- ii. Stay engaged during design
- iii. Respond to key decisions on time
- iv. Make timely payments as per the agreement

## **6. When Does This End?**

Before Green Light: Either party can terminate. Client pays only for design work completed (the Design & Engineering Fee) and any third party professional fees necessary for the project.

After Green Light: Client is fully committed to the locked manufacturing price and refined site estimates. Termination after Green Light may result in significant financial obligations per Section 10.

For questions, reach out to the assigned Company project representative.

## **7. Peace of Mind Guarantee**

We understand that designing and building a new home is a major decision. That's why this agreement is structured around clear milestones. At the end of each design milestone, at least until the phase called "Green Light Production Notice," the Client will have the option to continue, pause, or exit the process. Client will only be responsible for work completed up to that point - no hidden commitments, no pressure.

This ensures the Client stays in control throughout the process.

## **RECITALS**

### **Recital A - Company Business**

Company is engaged in the business of coordinating the design, manufacturing and installation of factory-built homes, also known as modular homes, on Client owned properties.

### **Recital B - Manufacturer Relationship**

Company will engage a third-party modular home manufacturer ("Manufacturer") to fabricate the Home(s) at the Manufacturer's factory facility pursuant to a separate agreement between Company and Manufacturer. Client acknowledges that Manufacturer is not a party to this Agreement, and Client's sole contractual relationship for factory production is with Company.

### **Recital C - On-Site Contractors**

If Company-Managed On-Site Services are selected under Recital G below, Company will engage qualified third-party contractors ("On-Site Contractors") to perform site work pursuant to separate agreements between Company and such contractors. Client acknowledges that On-Site Contractors are not parties to this Agreement, and Client's sole contractual relationship for on-site services is with Company.

### **Recital D - Site Ownership**

Client owns or controls certain real property located at 123 Oak Street (the "Site") on which Client intends to install one or more modular homes.

## **Recital E - Scope of Services**

**WHEREAS, Client desires to purchase from Company 1 modular home unit(s) (individually, a "Unit" or "Home"; collectively, the "Units" or "Homes"), and Company may provide some or all of the services below:**

- a. Offsite Services: Design, engineering, manufacturing (factory-related services)
- b. On-Site Services: Shipping, logistics, installation, site construction, and related services

(The specific scope of Offsite Services and On-Site Services is detailed in Section 1.1); and

## **Recital F - Project Types**

WHEREAS, this Agreement is structured to accommodate single-unit or multi-unit projects, whether for direct-to-consumer clients ("D2C Projects") or business-to-business development partners ("B2B Projects").

## **Recital G - On-Site Services Election**

### **ON-SITE SERVICES PROVIDER**

Client must select one of the following options for On-Site Services. This election determines responsibilities, payment flows, and warranty provisions throughout this Agreement.

### **Recital G - Option A: Client-Retained Contractor**

#### **OPTION A - CLIENT-RETAINED CONTRACTOR ("CRC")**

**Client will engage and manage a licensed General Contractor of Client's choosing to perform all On-Site Services, including but not limited to:**

- a. Site preparation and grading
- b. Foundation construction
- c. Utility connections
- d. Module setting and crane operations
- e. Inter-module connections and finishing
- f. Final inspections and occupancy

#### **Under this option:**

- a. Client contracts directly with General Contractor
- b. Client is responsible for General Contractor performance
- c. Company provides coordination support but is not responsible for on-site work
- d. Limited Warranty applies only to factory-produced components

- e. General Contractor must meet Company's minimum requirements per Exhibit F

### **Recital G - Option B: Company-Managed On-Site Services**

#### OPTION B – COMPANY-MANAGED ON-SITE SERVICES ("CMOS")

Company will engage and manage qualified contractors to perform all On-Site Services under this Agreement.

#### **Under this option:**

- a. Company contracts with and manages all on-site contractors
- b. Client's sole contractual relationship is with Company
- c. All On-Site Services costs are included in this Agreement's pricing
- d. Company is responsible for on-site work quality and performance
- e. Full Limited Warranty coverage applies per Exhibit E

### **Recital G - Selected Option**

#### **CLIENT'S ELECTION (initial one):**

- Option A – Client-Retained Contractor  
 Option B – Company-Managed On-Site Services

SELECTED OPTION: The Company-Managed On-Site Services ("On-Site Service") has been selected for this Agreement.

Client Signature: \_\_\_\_\_ Date: \_\_\_\_\_

### **Recital H - Total Preliminary Project Cost**

#### **WHEREAS, the total preliminary project cost is [NOT PROVIDED], which includes:**

1. Design and Engineering: 15000
2. Offsite Services: \$450,000.00
3. If included, On-Site Services: [NOT PROVIDED]

### **Recital I - Peace of Mind Guarantee**

WHEREAS, the Design & Engineering Fee allows Company to perform site-specific design, engineering and cost estimation. At Green Light Production Notice, Client will receive final pricing. Manufacturing price will be LOCKED at Green Light, while on-site pricing may adjust based on actual site conditions discovered during construction. If final pricing makes the project unfeasible, Client may exit the Agreement per Section 10, having paid only the Design & Engineering Fee;

PEACE OF MIND GUARANTEE

The Design & Engineering Fee allows Company to perform site-specific engineering and cost estimation. During the design process, preliminary estimates will be refined based on actual site conditions, design decisions, and permitting requirements. At Green Light Production Notice, Client will receive final pricing for manufacturing (locked) and refined site cost estimates. If final pricing makes the project unfeasible, Client may exit the Agreement in accordance with Section 10, having paid only for design work completed.

#### **Final Pricing (Established at Green Light):**

##### **1. Off-Site Services price becomes fixed and locked**

##### **2. On-Site price estimate, if included, is refined to maximum accuracy**

Client must approve final pricing to proceed to production. A detailed pricing breakdown and payment schedule is set forth in Exhibit A (Project Budget) and Exhibit C (Payment Schedule); and

#### **Recital J - Final Pricing and Agreement**

**NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and promises set forth herein, and for good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the Parties, intending to be legally bound, hereby agree as follows:**

#### **ATTACHMENTS**

- i. Project Budget (Exhibit A)
- ii. Plans and Specifications Drawing Set and the interior finishes for the Home (Exhibit B)
- iii. Payment Schedule (Exhibit C)
- iv. Design Milestone Schedule (Exhibit D)
- v. Limited Warranty (Exhibit E)
- vi. Site Responsibility Matrix & Requirements for Warranty Eligibility (Exhibit F)

#### **Section 1. Scope of Services**

##### **1.1. Overview**

**This Agreement covers services selected by Client, which are:**

##### **A. Offsite Services (Factory-Related):**

1. Design Phase: Develop design, engineering, and permitting necessary to define the modular home(s).

2. Production Phase: Manufacture, assembly, and factory completion of approved modular home(s).

3. Shipping & Logistics: Transportation and delivery of completed modules to the Site.

The Design Phase must be completed before the Production Phase begins. Transition between phases requires written confirmation from both parties (email or signed notice is acceptable). Either party may terminate this Agreement as set forth in Section 10 (Termination), with settlement of amounts due for completed work.

### **1.1. Overview - CMOS On-Site Services**

#### **B. On-Site Services (Non-Factory):**

1. Installation Services: Craning, setting, and installation supervision of modules.
2. Site Construction Services: Site preparation, foundations, utilities, and completion work.

### **1.1. Overview - CRC Client Responsibility**

If On-Site Services (Item B above) are not included in this Agreement, Client is responsible to hire a licensed General Contractor, approved by Company, to prepare the site and complete all necessary work before the module(s) arrive at the site (see Exhibit F for details). Any contractor working on the Project must comply with Company's installation requirements to maintain warranty eligibility (see Exhibit F).

### **1.2. Design Phase**

#### **During this phase, Company will:**

- a. Collaborate with Client to finalize the design and layout
  - b. Provide opinion of Probable Cost
  - c. Incorporate Client's selections from the interior finishes
  - d. Prepare one set of stamped structural and MEP (mechanical, electrical and plumbing) drawings to support permitting
  - e. Assist with local jurisdiction permitting and planning approvals
  - f. Submit to applicable 3rd Party Review Agency
  - g. Submit plans to applicable state authority for modular approval
  - h. Provide a detailed cost estimate and estimated production schedule
- i. If applicable, coordinate with Client's General Contractor regarding site requirements and scheduling

#### **This Design Phase includes:**

##### **1. Pre-Design and Feasibility (approx. 1 week):**

- a. Assess site conditions, utilities, and local permitting requirements to optimize modular design.

**2. Market and Program Development (approx. 1 week):**

- a. Define project goals, product mix, and features with the Client.

**3. Concept and Schematic Design (approx. 2 weeks):**

- a. Prepare preliminary site plans and layouts in coordination with Client's land planner and/or civil engineers.

**4. Design Documentation (2-4 months):**

- a. Produce detailed plans and specifications ready for permitting and factory production.

**Company will only begin production after these "Green Light Conditions" below are met:**

**1. Proof of Client's ownership of the site**

**2. Client's approval of schematic design, interior finishes, and Project Budget**

**3. Hiring a licensed General Contractor and submitting their scope and schedule**

**4. All necessary permits are issued**

**5. Proof of Funds or if Financing a bank letter with direction to pay to Company**

**6. Payment of the Green Light Production Notice amount**

Once these conditions are satisfied, Company will issue a Green Light Production Notice to begin production including: a delivery schedule and pricing. From this point, the remaining Production Payment Schedule applies.

Before shipment of Client's module(s), if Client hires their own On-Site Contractor, then Client's Contractor must confirm that the foundation and utilities are complete and the site is ready to receive the home. Site readiness is detailed in Exhibit F.

**1.3. Timing Dependencies**

**Certain work phases are dependent upon the completion of prior phases. In particular:**

- a. Production cannot commence until the Design Phase is complete and the Green Light Production Notice is issued
- b. Delivery cannot be scheduled until site readiness is confirmed per Exhibit F
- c. On-Site work (if included) cannot commence until modules are delivered

Delays in any dependent phase may cause corresponding delays in subsequent phases. Such delays are addressed in Section 5.

#### **1.4. Production Phase**

##### **Upon issuance of the Green Light Production Notice, Company will:**

- a. Finalize manufacturing specifications with Manufacturer
- b. Oversee quality control during production
- c. Coordinate with Client regarding any production-related decisions
- d. Provide regular production status updates
- e. Coordinate delivery logistics and scheduling

##### **Production Schedule:**

Manufacturing will commence according to the schedule established at Green Light. Company will provide estimated production and delivery dates, subject to adjustment based on permitting, weather, supply chain, and other factors beyond Company's reasonable control.

#### **1.5. On-Site Work and Installation**

##### **On-Site work includes all activities required to prepare the Site for module delivery and to complete the installation of the Home(s), including but not limited to:**

- a. Site preparation and grading
- b. Foundation construction
- c. Utility connections (water, sewer, electric, gas)
- d. Module setting and crane operations
- e. Inter-module connections and sealing
- f. Interior and exterior completion work
- g. Final inspections and certificate of occupancy

The scope and responsibility for On-Site work depends on the On-Site Services option selected in Recital G. Refer to Exhibit F for detailed requirements.

#### **1.5. On-Site Work - CRC Client Acknowledgment**

##### **CLIENT ACKNOWLEDGMENT (CRC)**

##### **Client acknowledges that by electing the Client-Retained Contractor option:**

- a. Client is solely responsible for selecting, contracting with, and paying the General Contractor
- b. Client bears all risk associated with General Contractor performance

- c. Company's Limited Warranty may be voided if installation requirements are not followed
- d. Client must ensure General Contractor compliance with Exhibit F requirements
- e. Client is responsible for all site work coordination and scheduling

### **1.6. Custom Design Services (Optional)**

**If Client requests design services beyond the standard scope included in the Design & Engineering Fee, such services may be provided subject to:**

- a. Written approval from Client
- b. Separate fee agreement per Section 2.2
- c. Adjustment to project timeline if warranted

**Custom Design Services may include, but are not limited to:**

- a. Major design revisions beyond included revision rounds
- b. Additional site analysis or engineering studies
- c. Specialized architectural features or custom configurations
- d. Expedited design services
- e. Multiple design concept development

## **Section 2. Fees, Purchase Price, and Payment Terms**

### **2.1. Design & Engineering Fee**

The Design & Engineering Fee for this project is 15000, due upon execution of this Agreement. This fee is a condition precedent to the commencement of any work by Company.

**The Design & Engineering Fee covers:**

- a. Site-specific engineering and analysis
- b. Architectural, MEP and structural design development (excluding external professional/consultant fees)
- c. Cost estimation and budget refinement
- d. Permitting support and plan preparation
- e. Up to 3 rounds of design revisions

The Design & Engineering Fee EXCLUDES local jurisdiction application fees, local permit fees, professional (engineering, survey, geotechnical) fees and travel expenses related to local submittals. These fees will be billed separately at actual cost and are due upon receipt of invoice.

**PEACE OF MIND GUARANTEE:** The Design & Engineering Fee is the only payment to Company required until Green Light Production Notice. If Client does not approve final pricing at Green Light, Client may terminate this Agreement per Section 10, having paid only the Design & Engineering Fee for work completed. The Design & Engineering Fee is non-refundable once work begins.

## **2.2. Custom Design Services Fee (Optional)**

**If Client requests design services beyond the standard scope outlined in Section 1.2, Company may provide such services subject to:**

- a. Written approval from Client prior to commencement
- b. A separate fee quote provided by Company
- c. Payment terms as agreed in writing

Custom Design Services are billed at Company's standard hourly rates or at a mutually agreed fixed fee. Payment is due upon invoice.

## **2.3. Reimbursable Expenses**

**The following expenses are not included in the Design & Engineering Fee and will be billed separately at actual cost plus a 10% administrative fee:**

- a. Permit application fees and related government charges
- b. Third-party professional fees (surveyors, geotechnical engineers, etc.)
- c. Travel expenses for site visits, meetings, or inspections
- d. Shipping and courier charges for physical documents
- e. Specialized testing or analysis required by local jurisdiction

Reimbursable expenses will be invoiced monthly or upon occurrence and are due within 15 days of invoice.

## **2.4. Total Preliminary Project Cost**

Service Category	Provider	Preliminary Cost	Status at Green Light
Design & Engineering	Company	15000	Fixed (paid at signing)
Offsite Services	Company	\$450,000.00	Becomes LOCKED
On-Site Services (if included)	Company	[NOT PROVIDED]	Refined Estimate

**TOTAL PRELIMINARY PROJECT COST (At Signing): [NOT PROVIDED]**

This represents the estimated total cost for the complete project, including:

Note: Preliminary estimates for Offsite and On-Site Services will be refined during the Design Phase as site conditions, design decisions, and permitting requirements become clear. At Green Light, Offsite pricing becomes LOCKED while On-Site pricing is refined to maximum accuracy.

## **2.5. Pricing Structure and Refinement Process**

**The pricing for this project follows a structured refinement process:**

### **PHASE 1 - AT SIGNING:**

- Design & Engineering Fee: Fixed and due at signing
- Offsite Services: Preliminary estimate based on initial information
- On-Site Services (if included): Preliminary estimate based on initial information

### **PHASE 2 - DURING DESIGN:**

- Company refines estimates based on actual site conditions, design decisions, and permitting requirements
- Client receives regular budget updates as design progresses
- Any significant variance from preliminary estimates is communicated promptly

### **PHASE 3 - AT GREEN LIGHT:**

- Offsite Services price becomes LOCKED and will not change except for approved change orders
- On-Site Services price is refined to maximum accuracy based on completed design and site analysis
- On-Site pricing may still be subject to change orders if unforeseen conditions are discovered during construction

Client must approve final pricing to proceed to production.

## **2.6. What's Not Included in This Agreement**

**The following items are NOT included in the pricing set forth in this Agreement and are the sole responsibility of Client unless otherwise agreed in writing:**

- Land acquisition costs
- Existing structure demolition or removal
- Hazardous material remediation
- Utility service installation beyond the property line
- Landscaping and hardscaping (unless specifically included)
- Furniture, appliances, and personal property (unless specifically included)

- HOA or community association fees
- Property taxes and assessments
- Insurance on the completed Home (Client's responsibility upon delivery)
- Costs arising from site conditions not reasonably discoverable prior to Green Light

If any of the above items are discovered or required during the project, Company will notify Client and provide a cost estimate for review before proceeding.

## **2.7. Change Orders**

A "Change Order" is any modification to the scope, specifications, or pricing agreed in this Agreement or its Exhibits. Change Orders must be documented in writing and signed by both parties before work on the changed scope begins.

### **Change Order Process:**

- 1. Either party may request a Change Order in writing**
- 2. Company will provide a cost and schedule impact assessment within 5 business days**
- 3. Client must approve or reject the Change Order in writing**
- 4. Approved Change Orders become part of this Agreement**
- 5. Payment for Change Orders is due per terms specified in the Change Order**

No change to the scope, specifications, or pricing shall be effective unless documented as a Change Order signed by both parties.

## **2.8. Payment Schedule**

All payments under this Agreement shall be made according to the Payment Schedule set forth in Exhibit C.

### **Summary of Payment Milestones:**

- Design & Engineering Fee: Due at signing
- Green Light Payment: Due upon approval of final pricing
- Production Payments: Due at specified manufacturing milestones
- Delivery Payment: Due prior to module shipment
- Completion Payments: Due at specified installation and completion milestones

All payments must be made by wire transfer or certified check to the account specified by Company. Payment terms are Net 10 days from invoice unless otherwise specified. See Exhibit C for detailed payment amounts and timing.

## **2.9. Late Payments and Collection**

Time is of the essence with respect to all payments under this Agreement.

### **Late Payment Penalties:**

- Payments not received within 10 days of due date: 1.5% monthly interest (18% annual)
- Payments over 30 days late: Company may suspend all work until payment is received
- Payments over 60 days late: Company may terminate this Agreement per Section 10.2

### **Collection Costs:**

If Company must engage collection services or legal action to recover amounts due, Client shall pay all reasonable collection costs, attorney fees, and court costs incurred by Company.

### **Payment Default:**

Failure to make any payment when due constitutes a material breach of this Agreement and entitles Company to exercise all remedies set forth in Section 12.

## **2.10. Additional Reimbursable Expenses**

### **In addition to the reimbursable expenses listed in Section 2.3, the following may be billed separately:**

- Storage fees if module delivery is delayed due to site not being ready
- Re-delivery costs if initial delivery attempt fails due to site conditions
- Expedite fees for accelerated schedules requested by Client
- Additional engineering or design services requested after Green Light
- Any costs arising from Client-caused delays

All additional reimbursable expenses will be documented and invoiced at actual cost plus a 10% administrative fee unless otherwise agreed in writing.

## **Section 3. Client Responsibilities**

### **3.1. Project Information and Coordination**

#### **Client agrees to:**

- i. Provide timely and complete information about project goals, design preferences, schedule constraints, space needs, and any special equipment or systems requirements. All required information must be provided prior to commencement of Milestone 1 in Exhibit D - "Milestone Schedule"

- ii. Supply, within 5 business days, upon Company's written request, all available site information, including:
  - a. Surveys describing physical characteristics, legal boundaries, easements, and utility locations.
  - b. Reports from geotechnical engineers, environmental consultants, or other specialists.
  - c. Results from any required tests, inspections, or feasibility studies.
- iii. Designate a single point of contact authorized to make decisions on behalf of Client. All approvals, selections, and decisions must be communicated through this designated contact or in writing.
- iv. Respond to requests for information or decisions within 5 business days unless a different timeframe is agreed. Delays in Client response may result in corresponding project delays.

### **3.2. Access to Site**

#### 3.2. Site Access and Preparation

##### **Client agrees to:**

- i. Provide Company and its subcontractors with reasonable access to the Project Site during normal business hours for surveys, inspections, and construction activities.
- ii. Ensure the Project Site is accessible for delivery of modular units, including adequate road access and clearance.
- iii. Prepare the Project Site foundation and utilities in accordance with specifications provided by Company.
- iv. Obtain all necessary permits and approvals for site work not covered by Company's scope of work.
- v. Maintain adequate insurance coverage for the Project Site during construction.

### **3.3. Legal Authority and Site Control**

#### 3.3. Approvals and Decisions

##### **Client agrees to:**

- i. Review and approve design documents within 10 business days of receipt.
- ii. Attend scheduled design review meetings or provide written feedback within the agreed timeframe.
- iii. Make timely selections of finishes, fixtures, and options as required by the project schedule.
- iv. Provide written approval for any changes to the scope of work or specifications.

### **3.4. General Contractor Engagement**

#### 3.4. Financial Obligations

##### **Client agrees to:**

- i. Make all payments in accordance with the Payment Schedule set forth in Exhibit C.
- ii. Provide evidence of financing or ability to pay within 30 days of Agreement execution.
- iii. Maintain adequate funds to complete the project, including contingency for unforeseen conditions.
- iv. Pay for any additional costs resulting from Client-requested changes or delays caused by Client.

### **3.4. General Contractor Engagement - CRC**

#### CRC GENERAL CONTRACTOR REQUIREMENTS

##### **If Client has elected the Client-Retained Contractor (CRC) option, Client shall:**

- a. Engage a licensed General Contractor approved by Company
- b. Submit the General Contractor's qualifications, license, and insurance for Company approval
- c. Ensure the General Contractor executes any required compliance documents
- d. Ensure the General Contractor follows all requirements in Exhibit F
- e. Coordinate between General Contractor and Company for delivery and installation
- f. Remain responsible for General Contractor performance and payment

Company reserves the right to reject any proposed General Contractor that does not meet Company's minimum requirements. General Contractor approval is at Company's sole discretion.

### **3.4. General Contractor Engagement - CMOS**

#### CMOS GENERAL CONTRACTOR PROVISIONS

##### **If Client has elected the Company-Managed On-Site Services (CMOS) option:**

- a. Company will engage and manage all General Contractor and subcontractor relationships
- b. Client's sole contractual relationship for on-site work is with Company
- c. Company is responsible for contractor coordination, scheduling, and oversight

d. Client shall provide access and cooperation as reasonably requested. Client may request information about contractors engaged by Company but has no approval rights over Company's contractor selections.

### **3.5. Green Light Conditions**

#### 3.5. Communication and Coordination

##### **Client agrees to:**

- i. Maintain regular communication with Company throughout the project.
- ii. Notify Company promptly of any issues, concerns, or changes in project requirements.
- iii. Coordinate with local authorities, HOAs, and other stakeholders as needed.
- iv. Provide Company with copies of any communications from regulatory authorities relevant to the project.

## **Section 4. Company Responsibilities**

### **4.1. Design and Pre-Production Services**

#### **Company shall provide the design and pre-production services described in Section 1.2, including:**

- Site-specific engineering and design development
- Coordination with Client's consultants and local authorities
- Permitting support and plan preparation
- Cost estimation and budget development
- Production planning and scheduling

Company shall perform these services in a professional manner consistent with industry standards for modular home development.

### **4.2. Production Services**

#### **Following the Green Light Production Notice, Company shall:**

- Engage the Manufacturer to produce the Home(s) per approved specifications
- Oversee quality control during manufacturing
- Coordinate production schedule with delivery and site readiness
- Provide regular production status updates to Client
- Arrange for all required factory inspections and certifications

#### **Company shall ensure the Home(s) are manufactured in accordance with:**

- The approved plans and specifications
- All applicable building codes and regulations
- State modular home certification requirements

#### **4.3. Delivery and Installation Services**

**Company shall coordinate the delivery and installation of the Home(s), including:**

- Transportation logistics and route planning
- Coordination with delivery carriers and escort services
- Scheduling delivery to align with site readiness
- Module set coordination (crane operations and placement)
- Supervision of inter-module connections

For CMOS projects, Company is directly responsible for all delivery and installation activities. For CRC projects, Company provides coordination support while Client's General Contractor performs the physical installation work.

**Delivery is contingent upon:**

- Site readiness per Exhibit F requirements
- Weather conditions suitable for safe delivery and set
- Clear access route to the Site
- Payment of Delivery Payment per Exhibit C

#### **4.4. Insurance**

**Company shall maintain the following insurance coverages throughout the project:**

- Commercial General Liability: \${{GL\_INSURANCE\_LIMIT}} per occurrence / \${{GL\_AGGREGATE\_LIMIT}} aggregate
- Professional Liability: Coverage for design and engineering services
- Workers Compensation: As required by law
- Commercial Auto: Coverage for delivery vehicles

Company shall provide certificates of insurance upon request. Subcontractors and manufacturers engaged by Company shall maintain comparable coverage as appropriate for their scope of work.

**Client is responsible for:**

- Builder's risk insurance during construction (CMOS) or ensuring General Contractor provides same (CRC)

- Homeowner's insurance from date of delivery
- Any additional coverage required by lender or local jurisdiction

## **Section 5. Project Schedule and Delays**

### **5.1. Project Timeline**

**The anticipated project timeline is set forth in Exhibit D (Milestone Schedule). Key phases include:**

- Design Phase: Approximately 3-4 months from signing
- Permitting: Variable based on local jurisdiction (typically 2-8 weeks)
- Production: Approximately 8-12 weeks from Green Light
- Delivery: Subject to site readiness and weather
- Installation & Completion: Variable based on scope and conditions

All dates are estimates and subject to adjustment based on permitting, weather, supply chain conditions, and other factors. Company will provide updated timeline projections as the project progresses.

### **5.2. Preconditions to Commencement of Production**

**Production shall not commence until all of the following preconditions are satisfied:**

- Green Light Conditions per Section 3.5 are met
- Green Light Payment is received
- All material design decisions are finalized
- Production schedule is confirmed with Manufacturer

**Company shall issue a Green Light Production Notice when all preconditions are satisfied. This notice will include:**

- Confirmed production start date
- Estimated completion and delivery dates
- Final locked pricing for Offsite Services
- Payment schedule for remaining balances

### **5.3. Site Readiness and Delivery Coordination**

Delivery and installation cannot proceed until the Site meets all readiness requirements specified in Exhibit F.

#### **5.3. Site Readiness - CMOS**

## CMOS SITE READINESS

**For CMOS projects, Company is responsible for coordinating all site preparation and ensuring readiness. Company will:**

- Manage foundation and utility construction
- Coordinate all pre-delivery site work
- Confirm readiness before scheduling delivery
- Handle any site readiness issues that arise

Client shall provide access and cooperation as required. Any delays caused by Client's failure to provide access or required approvals shall extend the timeline accordingly.

## 5.3. Site Readiness - CRC

### CRC SITE READINESS

**For CRC projects, Client and Client's General Contractor are responsible for site preparation. Before delivery can be scheduled:**

- Foundation must be complete and cured per specifications
- Utilities must be stubbed to foundation per plans
- Access route must be clear for module transport
- Crane pad and staging area must be prepared
- General Contractor must certify readiness in writing

Company will inspect and approve site readiness before scheduling delivery. If the Site is not ready when modules arrive, Client shall bear all storage, re-delivery, and delay costs.

## 5.4. Delay Events

**The following events may cause delays to the project timeline and may entitle Company to timeline extensions and/or cost adjustments:**

### **Excusable Delays (timeline extension only):**

- Force Majeure events per Section 13.6
- Permitting delays beyond Company's control
- Weather conditions unsuitable for delivery or construction
- Supply chain disruptions affecting materials or equipment

### **Compensable Delays (timeline extension + cost adjustment):**

- Client-caused delays (late decisions, payment delays, access issues)

- Changes to scope or specifications requested by Client
- Site conditions materially different from information provided by Client
- Delays caused by Client's General Contractor (CRC projects)

Company shall provide written notice of any delay event within 5 business days of occurrence. The parties shall cooperate in good faith to mitigate delays.

### **5.5. Change in Timeline**

**If the project timeline extends beyond the originally estimated completion date due to any cause, the parties shall:**

- 1. Meet to discuss the cause and impact of the delay**
- 2. Agree on a revised timeline**
- 3. Address any cost implications per Section 5.6 if applicable**
- 4. Document any agreed changes in writing**

Neither party shall be liable for delays caused by Force Majeure events, provided prompt notice is given and reasonable mitigation efforts are made.

### **5.6. Inflation Adjustment Clause**

**If the Green Light Production Notice is not issued within 90 days of design completion due to Client delays or failure to satisfy Green Light Conditions, Company may adjust pricing as follows:**

#### **Material Cost Adjustment:**

If material costs have increased by more than 10% from the date of preliminary estimate to the date of Green Light, Company may adjust the Offsite Services price to reflect actual material costs.

#### **General Inflation Adjustment:**

If more than 6 months elapse between design completion and Green Light, Company may apply an inflation adjustment of up to 5% per 6-month period to account for general cost increases.

Any price adjustments will be documented and presented to Client before Green Light. Client may terminate per Section 10 if adjusted pricing is not acceptable.

## **Section 6. Limited Warranty**

### **6.1. Exclusive Warranty; Disclaimer of Implied Warranties**

THE LIMITED WARRANTY SET FORTH IN THIS SECTION AND EXHIBIT E CONSTITUTES THE EXCLUSIVE WARRANTY PROVIDED BY COMPANY. THIS WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, WHETHER EXPRESS, IMPLIED, OR STATUTORY.

**COMPANY HEREBY DISCLAIMS ALL IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO:**

- THE IMPLIED WARRANTY OF MERCHANTABILITY
- THE IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE
- ANY WARRANTY ARISING FROM COURSE OF DEALING OR USAGE OF TRADE

Some jurisdictions do not allow the exclusion of implied warranties, so the above exclusions may not apply to you. In such jurisdictions, any implied warranties are limited to the duration of the express warranty periods set forth herein.

**6.2. Limited Warranty Coverage**

Warranty Category	Coverage Period	Start Date
Fit and Finish (Cosmetic)	24 months	Date of Delivery
Building Envelope	60 months	Date of Delivery
Structural Components	120 months	Date of Delivery

Subject to the terms, conditions, and exclusions set forth in Exhibit E, Company warrants the Home(s) as follows:

Company's warranty obligation is limited to repair or replacement of defective materials or workmanship, at Company's option. The warranty does not cover:

- Normal wear and tear
- Damage caused by Client or third parties
- Improper maintenance or modifications
- Damage from casualty events (fire, flood, etc.)
- Issues arising from site work not performed by Company (CRC projects)

See Exhibit E for complete warranty terms, conditions, and exclusions.

**6.3. Other Affirmations Replaced**

This Agreement, including its Exhibits, constitutes the entire warranty provided by Company. Any affirmations, statements, or representations made prior to execution of this Agreement are superseded by this Agreement and do not constitute warranties.

Sales materials, marketing documents, and verbal statements are not part of the warranty unless specifically incorporated herein in writing.

**6.4. Pass-Through Manufacturer Warranties**

**Certain components of the Home(s) may be covered by separate manufacturer warranties, including but not limited to:**

- Appliances
- HVAC systems
- Windows and doors
- Roofing materials
- Plumbing fixtures

Company will provide Client with manufacturer warranty information at the time of delivery. Company's warranty does not extend to items covered by manufacturer warranties; Client shall look solely to the manufacturer for warranty claims on such items.

Company will assist Client in pursuing valid manufacturer warranty claims during the first year following delivery.

#### **6.5. Exclusion of Consequential and Incidental Damages**

**TO THE MAXIMUM EXTENT PERMITTED BY LAW, COMPANY SHALL NOT BE LIABLE FOR ANY INCIDENTAL, CONSEQUENTIAL, SPECIAL, PUNITIVE, OR EXEMPLARY DAMAGES ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE HOME(S), INCLUDING BUT NOT LIMITED TO:**

- Loss of use or enjoyment
- Lost profits or business opportunities
- Cost of temporary housing
- Emotional distress or inconvenience
- Diminution in property value

This limitation applies regardless of the theory of liability (contract, tort, strict liability, or otherwise) and even if Company has been advised of the possibility of such damages.

#### **6.6. Claims Process and Limitation**

**To make a warranty claim, Client must:**

- 1. Notify Company in writing within 30 days of discovering the defect**
- 2. Provide reasonable access for inspection**
- 3. Allow Company reasonable time to investigate and remedy**

Company will respond to warranty claims within 10 business days and schedule repairs within 30 days of determining a valid claim exists.

**LIMITATION PERIOD:** All claims, whether for warranty, breach of contract, or otherwise, must be brought within 2 years of the date the claim accrued or the applicable statute of limitations, whichever is shorter.

## **Section 7. Intellectual Property, Copyrights, and Licenses; Publicity**

### SECTION 7. RISK OF LOSS AND TITLE TRANSFER

#### **7.1. Ownership of Work Product**

<b>Stage</b>	<b>Risk of Loss</b>
During Production	Company bears risk
During Transport	Company bears risk (covered by transit insurance)
Upon Delivery to Site	Risk transfers to Client
After Delivery	Client bears risk

#### **7.1. RISK OF LOSS**

Risk of loss for the Home(s) transfers to Client as follows:

"Delivery" means the modules have been set on the foundation or otherwise placed at the designated location on the Site. From that point forward, Client is responsible for:

- Securing the Site and modules
- Maintaining appropriate insurance
- Protecting against weather, theft, and vandalism

Client should have builder's risk insurance in place before delivery.

#### **7.2. License to Use Work Product**

##### **7.2. TITLE TRANSFER**

Title to the Home(s) transfers to Client upon delivery to the Site AND receipt of all payments then due under this Agreement.

##### **Until title transfers:**

- Company retains ownership of the modules
- Company has the right to repossess if payments are not made
- Client has no right to modify or alter the modules

**After title transfers:**

- Client owns the Home(s)
- Company retains no ownership interest
- Client is responsible for registration, if applicable

**7.3. Restrictions on Use**

**7.3. SECURITY INTEREST**

As security for payment of all amounts due under this Agreement, Client grants Company a purchase money security interest in the Home(s) until all payments are received in full.

**Company may:**

- File UCC financing statements
- Take any action necessary to perfect its security interest
- Exercise remedies available to secured parties under applicable law

This security interest is released upon payment in full of all amounts due under this Agreement.

**7.4. Indemnification Regarding Work Product Use**

If Client uses the Work Product for purposes or projects not authorized under this Agreement, Client agrees to indemnify and hold harmless Company from any claims, damages, or liabilities arising from such unauthorized use.

**7.5. Publicity Rights**

Company may use photographs, renderings, or descriptions of the Home for marketing, promotional, and portfolio purposes, unless Client provides written notice objecting to such use.

**Section 8. Limitation of Liability and Exclusion of Consequential Damages**

**SECTION 8. INDEMNIFICATION**

**8.1. Damages**

**8.1. CLIENT INDEMNIFICATION**

**Client shall defend, indemnify, and hold harmless Company, its officers, directors, employees, agents, and subcontractors from and against any and all claims, damages, losses, and expenses (including reasonable attorney fees) arising out of or related to:**

- Client's breach of this Agreement

- Client's negligence or willful misconduct
- Claims by third parties related to the Site or Client's property
- Actions or omissions of Client's General Contractor (CRC projects)
- Inaccurate information provided by Client
- Use of the Home(s) after delivery

This indemnification obligation shall survive termination of this Agreement.

## **8.2. Liability**

### **8.2. COMPANY INDEMNIFICATION**

**Company shall defend, indemnify, and hold harmless Client from and against any and all claims, damages, losses, and expenses (including reasonable attorney fees) arising out of or related to:**

- Company's breach of this Agreement
- Company's negligence or willful misconduct
- Claims by Company's employees or subcontractors
- Personal injury occurring during production at Company's facilities
- Claims of intellectual property infringement related to Company's designs

This indemnification obligation shall survive termination of this Agreement.

## **Section 9. No Obligation to Purchase or Sell; Milestone Review and Approval**

### **SECTION 9. LIMITATION OF LIABILITY**

#### **9.1. Scope and Milestones**

##### **9.1. CAP ON LIABILITY**

TO THE MAXIMUM EXTENT PERMITTED BY LAW, COMPANY'S TOTAL LIABILITY UNDER THIS AGREEMENT, WHETHER IN CONTRACT, TORT, OR OTHERWISE, SHALL NOT EXCEED THE TOTAL AMOUNT ACTUALLY PAID BY CLIENT TO COMPANY UNDER THIS AGREEMENT.

This limitation applies to all claims, whether for breach of contract, negligence, strict liability, or any other legal theory. The parties acknowledge that this limitation reflects the allocation of risk between the parties and is an essential element of the bargain.

#### **9.2. Milestone Review and Approval**

At each milestone described in Exhibit D (Milestone Schedule), Client shall have the opportunity to review deliverables, pricing, and project status. Client's written

approval is required before proceeding to the next phase. Company will provide reasonable time for Client's review and response.

### **9.3. No Obligation to Purchase or Continue**

Until Green Light Production Notice is issued, Client may elect not to proceed with production for any reason. In such event, Client's sole financial obligation shall be payment for design work completed (the Design & Engineering Fee) and any third-party professional fees incurred.

### **9.4. Termination or "Out" Option at Each Milestone**

At any milestone before Green Light Production Notice, either Party may terminate this Agreement without further obligation, except for payment of fees for work completed. After Green Light, termination rights are governed by Section 10.

### **9.5. Effect of Termination at Milestone**

If Client terminates before Green Light, Company shall deliver all completed work product to Client. Client shall pay all amounts due for work completed, including the Design & Engineering Fee and any reimbursable expenses or third-party fees.

## **Section 10. Termination and Milestone Exit Rights**

### **10.1. Termination by Either Party at Milestones**

#### 10.1. TERMINATION FOR CONVENIENCE

**Client may terminate this Agreement at any time by providing written notice to Company. Upon termination for convenience:**

##### **BEFORE GREEN LIGHT:**

- Client forfeits the Design & Engineering Fee (non-refundable)
- No additional amounts are due unless work beyond design has been authorized

##### **AFTER GREEN LIGHT (Production has begun):**

- Client shall pay for all work completed and materials procured
- Cancellation fee equal to {{CANCELLATION\_FEE\_PERCENT}}% of remaining contract value
- Company will mitigate damages by reselling or repurposing materials where possible

Company will provide a final accounting within 30 days of termination.

### **10.2. Termination for Cause or Payment Default**

**Either party may terminate this Agreement if the other party:**

- Fails to cure a material breach within 30 days of written notice
- Becomes insolvent or files for bankruptcy
- Fails to make a required payment within 30 days of due date (Client only)
- Abandons the project for 30 or more consecutive days

**Upon termination for cause by Company:**

- All amounts due become immediately payable
- Company may exercise its security interest
- Company may recover reasonable attorney fees and costs

**Upon termination for cause by Client:**

- Client may recover amounts paid less value of work completed
- Company shall cooperate in transition to replacement contractor
- Client may pursue available legal remedies

### **10.3. Permitting Delay Exit Clause**

#### 10.3. EFFECTS OF TERMINATION

**Upon any termination:**

- Company shall cease all work and secure the Site
- Client shall pay for all work completed to date
- Each party shall return the other's confidential information
- Provisions that by their nature should survive (indemnification, limitation of liability, dispute resolution) shall survive

Neither party shall be liable to the other for damages resulting from a proper termination in accordance with this Section.

### **10.4. Effect of Termination**

Upon termination for any reason, (a) Client shall pay all amounts due for work completed; (b) Company shall deliver all completed work product; (c) all licenses granted hereunder shall survive with respect to paid work; and (d) the provisions of Sections 6, 7, 8, 11, and 13 shall survive termination.

### **10.5. Termination for Client Convenience**

After Green Light Production Notice, if Client terminates for convenience (not for Company's material breach), Client shall be liable for: (a) all amounts due for work completed; (b) all non-cancellable commitments made by Company; (c) a termination fee equal to fifteen percent (15%) of the remaining unpaid contract balance; and (d) all costs incurred by Company to wind down the project.

## **10.6. Suspension of Work**

If Client suspends the project for more than thirty (30) days, Company may terminate this Agreement or adjust pricing and schedule. Client shall pay for all work completed and any demobilization costs. If work resumes, Company may adjust pricing to reflect current market conditions.

## **Section 11. Stepped Dispute Resolution**

### SECTION 11. DISPUTE RESOLUTION

#### **11.1. Mandatory Mediation**

##### 11.1. INFORMAL RESOLUTION

Before initiating formal dispute resolution, the parties shall attempt to resolve any dispute through good faith negotiation. Either party may initiate informal resolution by providing written notice of the dispute.

###### **Steps for Informal Resolution:**

- 1. Written notice describing the dispute and proposed resolution**
- 2. Response within 10 business days with counterproposal if applicable**
- 3. Meeting or call between authorized representatives within 15 business days**
- 4. Written memorialization of any resolution reached**

If the dispute is not resolved within 30 days of the initial notice, either party may proceed to mediation.

#### **11.2. Arbitration Demand and Limitations**

##### 11.2. MEDIATION

If informal resolution fails, the parties shall submit the dispute to mediation before proceeding to arbitration or litigation.

###### **Mediation Process:**

- Mediator: Selected by mutual agreement or, if unable to agree, by {{ARBITRATION\_PROVIDER}}
- Location: San Francisco, CA
- Costs: Shared equally by the parties
- Duration: At least 4 hours of good faith participation required

If mediation does not resolve the dispute within 60 days of the request, either party may proceed to binding arbitration or litigation as provided in Section 11.3.

### **11.3. No Third-Party Joinder**

#### 11.3. BINDING ARBITRATION

Any dispute not resolved through mediation shall be finally resolved by binding arbitration administered by {{ARBITRATION\_PROVIDER}} in accordance with its Commercial Arbitration Rules.

##### **Arbitration Terms:**

- Number of Arbitrators: One, unless the amount in dispute exceeds \$500,000, then three
- Location: San Francisco, CA
- Language: English
- Governing Law: Laws of the State of {{STATE\_OF\_FORMATION}}
- Discovery: Limited to document exchange and one deposition per side

The arbitrator(s) shall have authority to award any remedy available under applicable law, including injunctive relief, specific performance, and reasonable attorney fees to the prevailing party.

The arbitration award shall be final and binding, and judgment may be entered in any court of competent jurisdiction.

### **11.4. Enforcement and Judgment**

#### 11.4. PROVISIONAL REMEDIES

**Notwithstanding the arbitration provision, either party may seek provisional or injunctive relief from a court of competent jurisdiction to:**

- Preserve property subject to dispute
- Prevent irreparable harm pending arbitration
- Enforce the security interest granted herein
- Collect amounts due under this Agreement

Such provisional relief shall not waive the right to arbitrate the underlying dispute.

## **Section 12. Default**

### SECTION 12. INTELLECTUAL PROPERTY AND CONFIDENTIALITY

#### **12.1. Payment Default**

##### 12.1. COMPANY INTELLECTUAL PROPERTY

**Company retains all rights, title, and interest in and to:**

- Design methodologies and processes

- Proprietary construction techniques
- Software and technology platforms
- Trade secrets and know-how
- Trademarks and branding

Client receives only the limited license rights expressly granted herein. No ownership of Company intellectual property is transferred.

## **12.2. Material Breach**

### 12.2. LICENSE TO USE DESIGNS

**Upon final payment, Client receives a perpetual, non-exclusive, non-transferable license to:**

- Use the Home design for the specific Site
- Make modifications to the Home after completion
- Use the plans for insurance, financing, and permitting purposes

**Client may NOT:**

- Reproduce the design for other properties
- Sell, license, or distribute the design
- Use Company branding or trademarks
- Represent the design as Client's own creation

## **12.3. Rights upon Termination**

### 12.3. CONFIDENTIAL INFORMATION

**Each party agrees to:**

- Protect the other's confidential information with reasonable care
- Use confidential information only for purposes of this Agreement
- Not disclose confidential information to third parties without consent
- Return or destroy confidential information upon request

**Confidential information excludes information that:**

- Is publicly available through no fault of the receiving party
- Was known to the receiving party prior to disclosure
- Is independently developed without use of confidential information
- Is required to be disclosed by law (with reasonable notice)

## **Section 13. Miscellaneous Provisions**

### SECTION 13. GENERAL PROVISIONS

#### **13.1. Governing Law and Venue**

##### 13.1. ENTIRE AGREEMENT

This Agreement, including all Exhibits attached hereto, constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes all prior and contemporaneous agreements, representations, and understandings, whether written or oral.

##### **Exhibits to this Agreement:**

- Exhibit A: Project Scope and Specifications
- Exhibit B: Property Description
- Exhibit C: Payment Schedule
- Exhibit D: Milestone Schedule
- Exhibit E: Limited Warranty Terms
- Exhibit F: Site Readiness Requirements
- Exhibit G: Change Order Form

All Exhibits are incorporated by reference and made part of this Agreement.

#### **13.2. Entire Agreement; Amendments**

##### 13.2. AMENDMENTS

This Agreement may only be amended or modified by a written instrument signed by both parties. No waiver of any provision shall be effective unless in writing and signed by the waiving party.

Change Orders per Section 2.7 shall constitute valid amendments to the scope and pricing of this Agreement when properly executed.

#### **13.3. Assignment**

**Neither party may assign this Agreement without the prior written consent of the other party, except that:**

- Company may assign to an affiliate or successor in interest
- Company may subcontract portions of the work to qualified subcontractors
- Either party may assign to a lender as collateral

Any attempted assignment in violation of this Section is void.

#### **13.4. No Third-Party Beneficiaries**

#### **13.4. NOTICES**

**All notices under this Agreement shall be in writing and delivered by:**

- Personal delivery
- Overnight courier (FedEx, UPS, etc.)
- Certified mail, return receipt requested
- Email with delivery confirmation

Notices shall be addressed to the parties at the addresses set forth in the signature block or as updated by written notice.

Notice is effective upon receipt or, for mail, 3 business days after mailing.

#### **13.5. Notices**

##### **13.5. SEVERABILITY**

**If any provision of this Agreement is found to be invalid, illegal, or unenforceable:**

- The remaining provisions shall continue in full force and effect
- The invalid provision shall be modified to the minimum extent necessary to make it enforceable
- If modification is not possible, the provision shall be severed

The parties intend for this Agreement to be enforced to the maximum extent permitted by law.

#### **13.6. Force Majeure**

**Neither party shall be liable for delays or failures in performance resulting from causes beyond its reasonable control, including but not limited to:**

- Acts of God, natural disasters, or severe weather
- War, terrorism, or civil unrest
- Government actions or restrictions
- Epidemics, pandemics, or public health emergencies
- Supply chain disruptions affecting the industry generally
- Utility outages or infrastructure failures

The affected party must provide prompt notice and use reasonable efforts to mitigate the impact. If a Force Majeure event continues for more than 90 days, either party may terminate this Agreement without penalty.

#### **13.7. Expanded Force Majeure Coverage**

### **13.7. GOVERNING LAW AND JURISDICTION**

This Agreement shall be governed by and construed in accordance with the laws of the State of {{STATE\_OF\_FORMATION}}, without regard to its conflict of laws principles.

Subject to the arbitration provisions in Section 11.3, any litigation arising out of this Agreement shall be brought exclusively in the state or federal courts located in {{COUNTY}}, {{STATE\_OF\_FORMATION}}.

Each party consents to the personal jurisdiction of such courts and waives any objection to venue.

### **13.8. Counterparts; Electronic Signatures**

#### **13.8. RELATIONSHIP OF PARTIES**

**Company is an independent contractor. Nothing in this Agreement creates:**

- An employer-employee relationship
- A partnership or joint venture
- An agency relationship

Neither party has authority to bind the other or create obligations on behalf of the other.

### **Signature Block**

IN WITNESS WHEREOF, the parties have executed this Design Services Agreement as of the date first set forth above.

Dvele Partners CLIENT

By: \_\_\_\_\_ By: \_\_\_\_\_

Name: \_\_\_\_\_ Name: Acme Development LLC

Title: \_\_\_\_\_ Title: LLC

### **Exhibit A: Project Budget**

This Exhibit sets forth the budget structure for the Project, including design fees, preliminary estimates, and the process for finalizing pricing at Green Light.

### **Exhibit A: Phase 1 - Design and Engineering**

Item	Amount	Status
Design & Engineering Fee	15000	FIXED - Due at Signing

## PHASE 1: DESIGN AND ENGINEERING (Fixed at Signing)

The Design & Engineering Fee covers:

- Architectural design development
- Site-specific engineering
- Permitting documentation
- Project coordination
- Budget development and refinement

This fee is non-refundable and due at execution of this Agreement.

## **Exhibit A: Phase 2 - Preliminary Estimates**

Service Category	Preliminary Estimate	Status at Green Light
Offsite Services	\$450,000.00	Becomes LOCKED
Delivery & Set	Included in Offsite	Included

## PHASE 2: PRELIMINARY ESTIMATES (Subject to Refinement)

Offsite Services include:

- Factory production of modular components
- Quality control and inspections
- Factory certifications
- Coordination with transportation

These estimates are based on information available at signing and will be refined during the Design Phase.

## **Exhibit A: On-Site Services Estimate**

On-Site Work Category	Preliminary Estimate
<b>On-Site Services Total</b>	<b>[NOT PROVIDED]</b>

## ON-SITE SERVICES ESTIMATE (CMOS Only)

On-Site Services (when selected) include:

- Foundation preparation
- Utility connections
- Module set and marry

- Finish work and touch-ups
- Final inspections

This estimate will be refined as design progresses and site conditions are confirmed. Final On-Site pricing is provided at Green Light but may be subject to adjustment based on unforeseen site conditions discovered during construction.

### **Exhibit A: Phase 3 - Final Pricing**

Category	Pricing Status	Notes
Design & Engineering	PAID	Already paid at signing
Offsite Services	LOCKED	Will not change except for Change Orders
On-Site Services (if CMOS)	REFINED ESTIMATE	Subject to site condition adjustments

PHASE 3: FINAL PRICING (Confirmed at Green Light)

At Green Light, the following pricing becomes final:

Total Project Budget at Green Light: {{FINAL\_CONTRACT\_PRICE}}

Any changes after Green Light require a signed Change Order and may affect pricing and schedule.

### **Exhibit A: Unit Breakdown (Multi-Unit)**

Unit #	Model/Description	Modules	Preliminary Price
1	{{UNIT_1_DESCRIPTION}}	{{UNIT_1_MODULES}}	{{UNIT_1_PRICE}}
2	{{UNIT_2_DESCRIPTION}}	{{UNIT_2_MODULES}}	{{UNIT_2_PRICE}}
...	Additional units as applicable	...	...

UNIT BREAKDOWN (Multi-Unit Projects)

For projects involving multiple units, the following breakdown applies:

Total Units: 1

Total Modules: {{TOTAL\_MODULES}}

Pricing shown is preliminary and subject to refinement during the Design Phase.

## **Exhibit A: Exclusions**

### **EXCLUSIONS FROM PROJECT BUDGET**

**The following items are NOT included in the budget estimates above and are Client's responsibility:**

- Land acquisition and closing costs
- Existing structure demolition
- Hazardous material testing and remediation
- Utility connection fees charged by utility companies
- Property taxes and assessments
- HOA fees and architectural review costs
- Landscaping and hardscaping
- Furniture, furnishings, and personal property
- Builder's risk and homeowner's insurance
- Costs arising from unforeseen site conditions

If any excluded items are discovered or required, Company will provide a separate cost estimate for Client approval before proceeding.

## **Exhibit B: Plans and Specifications**

**The following plans and specifications are incorporated by reference and define the scope of work for this Project:**

### **DESIGN DOCUMENTS:**

- Architectural plans dated {{PLAN\_DATE}}
- Structural engineering drawings
- MEP (Mechanical, Electrical, Plumbing) plans
- Interior finish specifications

### **SITE DOCUMENTS:**

- Site survey dated {{SURVEY\_DATE}}
- Geotechnical report (if applicable)
- Foundation design

### **SELECTIONS AND FINISHES:**

- Interior finish selections sheet
- Appliance specifications

- Fixture selections

Any changes to these documents after approval require a signed Change Order.

## **Exhibit C: Payment Schedule**

This Exhibit sets forth the payment schedule for the Project. All payments are due within 10 days of invoice unless otherwise noted.

## **Exhibit C: Unified Payment Structure**

Milestone	Percentage	Estimated Amount	When Due
1. Signing	20	{{MILESTONE_1_AMOUNT}}	At execution of Agreement
2. Green Light	20	{{MILESTONE_2_AMOUNT}}	Upon Green Light Production Notice
3. Production Start	20	{{MILESTONE_3_AMOUNT}}	When manufacturing begins
4. Production Midpoint	20	{{MILESTONE_4_AMOUNT}}	At 50% production completion
5. Delivery	15	{{MILESTONE_5_AMOUNT}}	Prior to module shipment
Retainage	5	{{RETAINAGE_AMOUNT}}	At final completion

TOTAL: 100% of {{FINAL\_CONTRACT\_PRICE}}

Payment Methods:

- Wire transfer (preferred)
- Certified check
- ACH transfer

All amounts shown are estimates based on preliminary pricing. Final milestone amounts will be calculated based on final locked pricing at Green Light.

## **Exhibit D: Milestone Schedule**

Phase	Duration	Key Milestone
Design Phase	{ {DESIGN_DURATION} } weeks	Design Approval
Permitting	{ {PERMITTING_DURATION} } weeks	Permits Issued
Production	{ {PRODUCTION_DURATION} } weeks	Factory Completion
Delivery & Set	{ {DELIVERY_DURATION} } weeks	Modules on Site
Completion	{ {COMPLETION_DURATION} } weeks	Certificate of Occupancy

This Exhibit sets forth the anticipated project schedule. All dates are estimates and subject to change based on permitting, weather, and other factors.

#### Estimated Project Timeline:

- Agreement Effective Date: 2026-01-24
- Anticipated Green Light: [NOT PROVIDED]
- Estimated Delivery: { {DELIVERY\_DATE} }
- Target Completion: { {COMPLETION\_DATE} }

Schedule updates will be provided as the project progresses through each phase.

## Exhibit E: Limited Warranty

This Exhibit sets forth the terms and conditions of Company's Limited Warranty for the Home(s).

### Exhibit E: 1. Definitions

#### For purposes of this Limited Warranty:

- "Defect" means a failure of materials or workmanship to meet the standards specified in the Plans and Specifications or applicable building codes.
- "Delivery Date" means the date on which the modules are set on the foundation at the Site.
- "Fit and Finish" means cosmetic and surface elements including paint, drywall, trim, and flooring.
- "Building Envelope" means the exterior components that protect the interior from weather, including roofing, siding, windows, and doors.
- "Structural Components" means the load-bearing elements of the Home, including the frame, foundation connections, and structural beams.

## **Exhibit E: 2. Warranty Commencement**

Category	Duration	Start Date
Fit and Finish	24 months	Delivery Date
Building Envelope	60 months	Delivery Date
Structural	120 months	Delivery Date

The warranty period for each category commences on the Delivery Date, which is defined as the date when the modules are set on the foundation at the Site.

Client must notify Company of the Delivery Date within 3 business days.

Warranty Coverage Periods:

## **Exhibit E: 3. Warranty Scope**

**This warranty covers Defects in materials and workmanship for work performed by Company or its direct subcontractors. Coverage varies by category:**

### **FIT AND FINISH (24 Months):**

- Paint and finishes
- Drywall cracks (non-structural)
- Flooring installation
- Trim and molding
- Cabinet and hardware installation

### **BUILDING ENVELOPE (60 Months):**

- Roofing materials and installation
- Siding and exterior finishes
- Window and door installation
- Weatherproofing and flashing
- Exterior caulking and sealants

### **STRUCTURAL (120 Months):**

- Module frame integrity
- Load-bearing walls and beams
- Foundation connections

- Structural floor and roof systems
- Inter-module connections

#### **Exhibit E: 4. Systems Coverage**

**The following building systems are covered under the Building Envelope warranty period:**

##### **HVAC SYSTEM:**

- Ductwork installation
- Equipment mounting
- Thermostat wiring
- Note: Equipment itself covered by manufacturer warranty

##### **PLUMBING SYSTEM:**

- Pipe installation and connections
- Fixture mounting
- Water heater connections
- Note: Fixtures covered by manufacturer warranty

##### **ELECTRICAL SYSTEM:**

- Wiring and connections
- Panel installation
- Outlet and switch mounting
- Note: Fixtures and appliances covered by manufacturer warranty

Company's warranty for systems covers installation workmanship only. Equipment, appliances, and fixtures are covered by their respective manufacturer warranties.

#### **Exhibit E: 5. Appliance and Fixture Coverage**

Item	Typical Coverage
Major Appliances	1-2 years parts and labor
HVAC Equipment	5-10 years compressor, 1 year parts
Water Heater	6-12 years tank, 1 year parts
Plumbing Fixtures	1-5 years depending on manufacturer
Windows	10-20 years glass seal, lifetime frame

Appliances and fixtures installed by Company are covered by their respective manufacturer warranties. Company will provide Client with:

- Manufacturer warranty documentation
- Registration information
- Contact information for warranty claims

Company will assist Client in pursuing manufacturer warranty claims during the first 12 months after Delivery.

Common Manufacturer Warranty Periods (typical):

Actual warranty terms are determined by each manufacturer.

## **Exhibit E: 6. Exclusions**

### **6. WARRANTY EXCLUSIONS**

**This Limited Warranty does NOT cover:**

#### **GENERAL EXCLUSIONS:**

- Normal wear and tear
- Damage from misuse, abuse, or negligence
- Damage from accidents, fire, flood, or other casualties
- Damage from modifications not performed by Company
- Damage from improper maintenance

#### **SITE-RELATED EXCLUSIONS:**

- Foundation settling or movement (site conditions)
- Drainage or grading issues
- Landscaping and exterior improvements not provided by Company

- Issues arising from work performed by Client's General Contractor (CRC projects)

**ENVIRONMENTAL EXCLUSIONS:**

- Mold, mildew, or moisture damage caused by inadequate ventilation or maintenance
- Pest infestation
- Damage from extreme weather events beyond building code requirements

**COSMETIC EXCLUSIONS AFTER FIT AND FINISH PERIOD:**

- Minor drywall cracks and nail pops
- Paint fading or discoloration
- Floor scratches and wear patterns
- Cabinet wear and minor adjustments

**Exhibit E: 7. Claims and Remedies****7. WARRANTY CLAIMS AND REMEDIES****TO MAKE A WARRANTY CLAIM:**

Step 1: Written Notice

**Submit a written claim to Company including:**

- Description of the Defect
- Photos documenting the issue
- Date Defect was discovered
- Contact information for inspection scheduling

Step 2: Inspection

Company will inspect the claimed Defect within 10 business days of receiving notice.

Step 3: Determination

**Company will provide written determination of:**

- Whether the claim is covered under warranty
- Proposed remedy if covered
- Timeline for repair

Step 4: Remedy

**For valid claims, Company will, at its option:**

- Repair the Defect
- Replace the defective materials
- Provide a credit for the cost of repair

Company's liability is limited to repair, replacement, or credit. Company is not liable for consequential damages, temporary housing, or other indirect costs.

#### **Exhibit E: 8. Limits of Liability**

##### **MAXIMUM WARRANTY LIABILITY:**

Company's maximum liability under this Limited Warranty shall not exceed the original contract price paid by Client for the work in question.

##### **EXCLUSIVE REMEDY:**

The remedies set forth in this Exhibit E are Client's exclusive remedies for any warranty claims. Client waives all other remedies, whether at law or in equity.

##### **NO CONSEQUENTIAL DAMAGES:**

**Company shall not be liable for any incidental, consequential, special, or punitive damages, including but not limited to:**

- Loss of use or enjoyment
- Temporary housing costs
- Storage costs
- Lost business or profits
- Emotional distress

##### **TIME LIMITATION:**

All warranty claims must be submitted in writing before the expiration of the applicable warranty period. Claims not submitted within the warranty period are waived.

#### **Exhibit F: Site Responsibility Matrix**

This Exhibit defines the responsibilities for site preparation and on-site work, which vary based on the service model selected in Recital G.

#### **Exhibit F: Company Authority Over On-Site Work**

**Regardless of the service model selected, Company retains authority over certain aspects of on-site work to ensure quality and compatibility with the modular components:**

##### **COMPANY-CONTROLLED ITEMS:**

- Foundation specifications and tolerances
- Module set procedures and equipment requirements
- Inter-module connection methods
- Utility connection points and specifications
- Installation sequence and timing

**Company has the right to:**

- Inspect and approve foundation before delivery
- Reject foundation that does not meet specifications
- Supervise and direct module set operations
- Approve inter-module connection work
- Require corrections to work that affects module integration

**Exhibit F: Scope of Work - CRC**

SCOPE OF WORK - CLIENT-RETAINED CONTRACTOR (CRC)

**For CRC projects, the following work is Client's responsibility through their General Contractor:**

**SITE PREPARATION:**

- Clearing and grading
- Excavation
- Erosion control
- Temporary utilities and facilities

**FOUNDATION:**

- Foundation construction per Company specifications
- Foundation waterproofing
- Foundation inspection coordination

**UTILITIES:**

- Utility trenching and service connections
- Well and septic (if applicable)
- Utility coordination with service providers

**MODULE SET SUPPORT:**

- Crane pad preparation

- Access route preparation
- Staging area preparation

**POST-SET WORK:**

- Foundation backfill
- Inter-module connections (under Company supervision)
- Exterior siding completion
- Landscaping and hardscaping

**Exhibit F: Scope of Work - CMOS**

SCOPE OF WORK - COMPANY-MANAGED ON-SITE SERVICES (CMOS)

**For CMOS projects, Company manages all on-site work, including:**

**SITE PREPARATION (Managed by Company):**

- Clearing and grading
- Excavation
- Erosion control
- Temporary utilities and facilities

**FOUNDATION (Managed by Company):**

- Foundation construction per specifications
- Foundation waterproofing
- Foundation inspection coordination

**UTILITIES (Managed by Company):**

- Utility trenching and service connections
- Utility coordination with service providers
- Final connections and testing

**MODULE SET AND COMPLETION (Managed by Company):**

- Crane operations and module set
- Inter-module connections
- Exterior completion work
- Interior finish work
- Final inspections and punch list

**CLIENT RESPONSIBILITIES (Even for CMOS):**

- Providing site access
- Timely decisions and approvals
- Obtaining owner-required permits (some jurisdictions)
- Utility account setup in Client's name

### **Exhibit F: Responsibility Matrix**

Task	CRC	CMOS
Site clearing and grading	Client/GC	Company
Foundation construction	Client/GC	Company
Foundation inspection	Client/GC	Company
Utility trenching	Client/GC	Company
Utility service connections	Client/GC	Company
Crane pad preparation	Client/GC	Company
Access route preparation	Client/GC	Company
Module delivery coordination	Shared	Company
Crane operations	Company	Company
Module set	Company	Company
Inter-module structural connections	Client/GC (supervised)	Company
Inter-module MEP connections	Client/GC (supervised)	Company
Exterior siding completion	Client/GC	Company
Interior finish work	Client/GC	Company
Final inspections	Client/GC	Company
Certificate of Occupancy	Client/GC	Company
Landscaping	Client	Client

## SITE RESPONSIBILITY MATRIX

Note: "Supervised" indicates work performed by Client's GC under Company direction.

### **Exhibit F: Installation and Inspections**

Inspection Type	CRC Responsible	CMOS Responsible
Foundation inspection	Client/GC	Company
Module set inspection	Company	Company
Framing/structural	Client/GC	Company
Rough mechanical	Client/GC	Company
Rough electrical	Client/GC	Company
Rough plumbing	Client/GC	Company
Insulation	Client/GC	Company
Final building	Client/GC	Company
Certificate of Occupancy	Client/GC	Company

#### MODULE SET REQUIREMENTS:

- Modules will be delivered and set by Company-arranged crane operations
- Client/GC (CRC) or Company (CMOS) must have site ready per the Site Readiness Checklist
- Set typically takes 1-2 days depending on project size
- Weather conditions must be suitable for crane operations

#### INSPECTION REQUIREMENTS:

All inspections must be passed before proceeding to the next phase of work.

### **Exhibit F: GC Requirements - CRC**

#### GENERAL CONTRACTOR REQUIREMENTS (CRC)

#### **Client's General Contractor must meet the following requirements:**

#### **LICENSING AND INSURANCE:**

- Valid General Contractor license in the state of installation

- General Liability insurance: Minimum \$1,000,000 per occurrence
- Workers Compensation insurance as required by law
- Completed operations coverage

**EXPERIENCE:**

- Minimum 5 years experience as a General Contractor
- Modular home installation experience preferred
- References available upon request

**COMPLIANCE:**

- Execute Company's Modular Installation Guidelines acknowledgment
- Attend pre-construction meeting with Company
- Follow Company specifications for module-related work
- Coordinate schedule with Company

Company reserves the right to reject any proposed General Contractor that does not meet these requirements.

**Exhibit F: Installation and Post-Installation - CRC**

**For CRC projects, the following installation procedures apply:**

**PRE-DELIVERY:**

- 1. GC completes and certifies Site Readiness Checklist**
- 2. Company inspects and approves site**
- 3. Delivery is scheduled (minimum 72-hour notice)**
- 4. GC prepares crane pad and staging area**

**DELIVERY AND SET:**

- 1. Company coordinates delivery logistics**
- 2. Company supervises crane operations**
- 3. Modules are set per engineering specifications**
- 4. Company inspects initial placement**

**POST-SET WORK (GC Responsibility):**

- 1. Inter-module structural connections (supervised by Company)**

**2. Inter-module MEP connections (supervised by Company)**

**3. Exterior siding and trim completion**

**4. Interior finish work at module joints**

**5. All required inspections**

**6. Final punch list and Certificate of Occupancy**

Company will provide technical support and supervision for module-specific work, but GC is responsible for execution and scheduling.

**IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.**

**COMPANY:**

**Dvele Partners LLC**

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Signature

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Name (Print)

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Title

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Date

**CLIENT:**

**Acme Development LLC**

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Signature

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Name (Print):

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Title: LLC

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Date