

CAL-QUAKE CONSTRUCTION

EARTHQUAKE RETROFITTING & STRUCTURAL REPAIR SPECIALISTS

TEL: (800) 351-2969 636 N. FORMOSA AVE, LOS ANGELES, CA 90036 | LIC #759817

PROPOSAL / CONTRACT

Date: To: Address:

Cell:

April 1st, 2024 **Michael Peacock** 26915 Grayslake Rd Rancho Palos Verdes, CA 90275 E-mail: Access:

Reference: Company: Phone:

Victoria Paullin

310-569-2191 victoria@thekondogroup.com Good

Representative: John Taferner



E-mail: peacock@tapcraft.net









On 03/29/2024, Cal-Quake Construction performed a limited visual inspection of the property.

CAL-QUAKE CONSTRUCTION (hereafter referred to as Contractor) proposes to furnish all materials and perform all labor necessary to complete the following:

- 1) Anchor the house around the perimeter of crawlspace with Simpson URFP plates or 5/8" expansion anchors directly into the mudsill, whichever is appropriate at any given location, according to standard detail bolting 4' on center.
- 2) Attach the floor joists to the cripple wall plate or mudsill with A35 steel brackets at all perimeter locations, according to standard detail 16" on center.
- Secure all post and pillar connections with ¹/₂" plywood templates (or) Simpson 128T straps.
- 4) Relevel the house as close as possible by readjusting the girder system, installing new pre-cast concrete piers and/or posts where necessary.
- 5) Add additional pre-cast concrete piers and wooden posts to the areas where tile is persistent in the flooring.
- 6) Repair and replacement of the failing wall. The cost of the repair is between \$10,000-15,000.00
- Drainage) Install a major drainage system around the perimeter of the home. Installing new drain lines, in order to divert water away from the foundation, and directing it towards the street level. Currently, the water is settling in the foundation, and the whole underside of the house is damp. The cost for the new drainage system is between \$12,000-15,000.00.
- **INCLUSIONS:** All labor, materials, and equipment to complete the job; workers' compensation and liability insurance; clean-up and debris disposal.
- **IN ADDITION:** CAL-QUAKE CONSTRUCTION shall have the right to place a sign in the yard.
- EXCLUSIONS: Permit fees; Permit handling fees (\$600), deputy inspection fee, engineering fees gas, plumbing, or electrical; hazardous materials; any work outside the job scope of this contract. And cosmetic work.
- Note: CAL-QUAKE makes no claims that the suggested work is everything that could or should be done. Whether to buy a house or not should not be based on this proposal. This proposal is based on visual observation. We are not home inspectors or engineers.
- Note: Owner to insure proper access for working i.e.: any gates or wrought iron work opened or removed as necessary for the work.

All of the above work is to be completed in a substantial and workmanlike manner according to standard practices for the sum of:

Item	Price	Authorization
ltems 1 – 3	six thousand eight hundred fifty dollars	\$6,850.00
Item 4	four thousand five hundred dollars	\$4,500.00
Item 5	Four thousand five hundred dollars	\$4,500.00
Item 6	ten to fifteen thousand dollars	\$10,000-15,000.00

A 3% handling fee will be added to the total of each payment received via credit card.

CAL-QUAKE Construction carries full Worker's Compensation and General Liability insurance.

The Owner will pay the Contractor 100% when the work is completed

The Owner and / or Tenant is not to solicit any work to the workers that is outside of this job scope.

This proposal is valid for 90 days from the above date. If accepted, work will commence within ten (10) working days from the receiving by the Contractor of this contract signed by the Owner and assuming that the down payment is made before work commences. Any of the work listed above in the work description constitutes substantial commencement of work. The work described above will be substantially completed within ten working days of commencement (one or two days being typical) subject to delays caused by acts of GOD, stormy weather, uncontrollable labor trouble, riots, or unforeseen contingencies. For jobs including a permit there would be a permit handling fee of \$600

Any alteration or deviation from the above specifications, including but not limited to any such alteration or deviation involving additional material and/or labor costs, will be executed only upon a written order for same, signed by Owner and Contractor, and if there is any charge for such alteration or deviation, the additional charge will be added to the contract price of this contract.

Date

Agent for CAL-QUAKE

ACCEPTANCE

You are hereby authorized to furnish all materials and labor required to complete the work mentioned in this proposal, for which I/we agree to pay the contract price mentioned in this Proposal, and according to the terms thereof. I/we acknowledge that before entering into this contract, I/we received a copy of the Notice to Owner which appears below. I/we have read and agree to the provisions contained therein.

Owner

Co-owner

Date

PLEASE SIGN AND RETURN TO CONTRACTOR ONE COPY OF THIS CONTRACT. PLEASE INITIAL THE AUTHORIZATION LINES AND INITIAL THE BOTTOM OF EACH PAGE.

If either the proposal and/or the acceptance of this Proposal and Contract is made at other than the premises at which Contractor or Owner normally carries on a business, then you, the Buyer, may cancel this transaction at any time prior to midnight of the third business day after the date of this transaction. See the attached Notice of Cancellation form for an explanation of this right. The provision that Owner may cancel this transaction within three business days shall not apply to a contract in which Owner has initiated the Contract and which is executed in connection with the making of emergency repairs or services which are necessary for the immediate protection of persons or real or personal property, provided that Owner furnishes Contractor with a separate dated and signed personal statement describing the situation requiring immediate remedy and expressly acknowledging and waiving the right to cancel the sale within three business days.

TERMS AND CONDITIONS

- Note: Wherever deputy inspection is required, it is the responsibility of the Owner not the Contractor to pay and is excluded from the contract. This is by law, since it would be a conflict of interest for a Contractor to pay the inspector.
- 1. CAL-QUAKE makes no claims that the suggested work is everything that could or should be done. Whether to buy a house or not should not be based on this proposal. This proposal is based on visual observation. We are not home inspectors or engineers.
- 2. The following terms and conditions apply to the payment schedule:

a. If the payment schedule contained provides for a down payment to be paid to Contractor by Owner before the commencement of work, such down payment shall not exceed One Thousand Dollars (\$1,000) or 10% of the contract price, excluding finance charges, whichever is the lesser.

b. In no event shall the payment schedule provide for Contractor to receive, nor shall Contractor actually receive, payment in excess of 100% of the value of the work performed on the project at any time, excluding finance charges, except that Contractor may receive an initial down payment authorized by condition (a), above.

c. A failure by Contractor without lawful excuse to substantially commence work within twenty (20) days of the approximate date specified in this Proposal and Contract when work will begin shall postpone the next succeeding payment to Contractor for that period of time equivalent to the time between when substantial commencement was to have occurred and when it did occur.

d. The terms and conditions set forth in sub-paragraphs (a), (b), and (c) above pertaining to the payment schedule shall not apply when the contract provides for Contractor to furnish a performance and payment bond, lien and completion bond, bond equivalent, joint control approved by the Registrar of Contractors covering full performance and completion of the contract and such bonds or joints control is or are furnished by Contractor, or when the parties agree for full payment to be made upon or for a schedule of payments to commence after satisfactory completion of the project.

- 3. **WARNING** a. Do not use this form if the owner is going to pay interest or any finance charge. A Home Improvements Contract with finance charges must comply both with the California Retail Installment Sales (Unruh) Act and the Federal Truth in Lending Act. The Federal Truth in Lending Act also applies if the contract price is payable in more than four installments even if there is no interest or finance charges. (Note: Progress payments are not installment payments.)
 - b. Do not use this form if this is a contract for construction of a swimming pool.
- 4. For your assistance the complete text of sections 7151, 7151.2 and 7159 of the California Business and Professions Code are quoted below under the "Notice to Owner."
- 5. Contractor does not do electrical, phone, gas, or plumbing work of any kind. If there is any electrical or plumbing in the way of the work that requires removal, repair, or rerouting, this work is excluded from this contract. Contractor does not deal with any hazardous materials removal. Contractor also does not deal with or take responsibility for any plants or landscaping that may be damaged or destroyed in the course of the job.
- 6. Contractor is responsible for removal of all debris created by him. If inspectors require removal of debris which already existed at the time work commenced, there may be an additional charge for removal of this debris.
- 7. Owner is not to solicit Contractor's workers or sub-contractors for any work.
- 8. Owner agrees to allow an 18" X 24" standard CAL-QUAKE sign to be placed on the property.
- 9. On some jobs, such as some concrete jobs, steel frames, deputy inspection is required. In order to prevent conflict of interest, it is against the law for the Contractor to pay the deputy inspector and deputy inspections are excluded from the price. The Owner pays the deputy inspector directly.
- 10. Owner is responsible to supply water and power to the job.
- 11. If the house is in an historical preservation zone (HPOZ) and approval to do the work is required, there will be an additional handling charge of \$250.
- 12. CAL-QUAKE does not install, and takes no responsibility for, smoke detectors, automatic gas shut off valves, etc. and failure to get a permit sign-off for this reason shall not delay payment.

FAILURE BY CONTRACTOR WITHOUT LAWFUL EXCUSE TO SUBSTANTIALLY COMMENCE WORK WITHIN TWENTY (20) DAYS FROM THE APPROXIMATE DATE SPECIFIED IN THIS PROPOSAL AND CONTRACT WHEN WORK WILL BEGIN IS A VIOLATION OF THE CONTRACTORS LICENSE LAW.

NOTICE TO OWNER OR TENANT: You have right to require Contractor to have a performance and payment bond.

Contractors are required by law to be licensed and regulated by the Contractors' State License Board. Any questions concerning a contractor may be referred to the Registrar, Contractors' State License Board, P.O. Box 26000, Sacramento, California 95826.

NOTICE TO OWNER

(Section 7018.5 - Contractors License Law)

THE LAW REQUIRES THAT, BEFORE A LICENSED CONTRACTOR CAN ENTER INTO A CONTRACT WITH YOU FOR A WORK OF IMPROVEMENT ON YOUR PROPERTY, HE MUST GIVE YOU A COPY OF THIS NOTICE.

Under the California Mechanics' Lien Law any contractor, subcontractor, laborer, supplier or other person who helps to improve your property, but is not paid for his/her work or supplies, has a right to enforce a claim against your property. This means that after court hearing, your property could be sold by a court officer and the proceeds of the sale used to satisfy the indebtedness. This can happen even if you have paid your contractor in full if the subcontractor, laborers or supplier remain unpaid.

To preserve their right to file a claim or lien against your property, certain claimants such as subcontractors or material supplies are required to provide you with a document entitled "Preliminary Notice." Original (or prime) contractors and laborers for wages do not have to provide this notice. A Preliminary Notice is not a lien against your property. Its purpose is to notify you of persons who may have a right to file a lien against your property if they are not paid. (Generally, the Maximum time allowed for filing a claim or lien against your property is ninety (90) days after completion of your project).

TO INSURE EXTRA PROTECTION FOR YOURSELF AND YOUR PROPERTY, YOU MAY WISH TO TAKE ONE OR MORE OF THE FOLLOWING STEPS:

1. Require that your contractor supply you with a payment and performance bond (not a license bond), which provides that the bonding company will either complete the project or pay damages up to the amount of the bond. This payment and performance bond as well as a copy of the construction contract should be filed with the county recorder for your further protection.

2. Require that payment be made directly to subcontractors and material suppliers through a joint control. Any joint control agreement should include the addendum approved by the Registrar of Contractors.

3. Issue joint checks for payment, made out to both your contractor and subcontractor or material supplier involved in the project. This will help to insure that all persons due payment are actually paid.

4. After making payment an any completed phase the project, and before making any further payments, require your contractor to provide you with unconditional lien releases signed by each material supplier, subcontractor and laborer involved in the portion of the work for which payment was made. On Project involving improvements to a single family residence or a duplex owned by individuals, the persons signing these releases lose the right to file a claim against your property. In other types of construction this protection may still be important, but may not be as complete. TO PROTECT YOURSELF UNDER THIS OPTION YOU MUST BE CERTAIN THAT ALL MATERIAL SUPPLIERS, SUBCONTRACTORS AND LABORERS HAVE SIGNED.

HILLSIDE HOMES: It is recommended to consult a soils engineer/geologist and structural engineer familiar with ground movement, drainage, and potential damage to structure.

OWNER SHALL PROVIDE POWER TO THE JOB SITE!

CALIFORNIA BUSINESS AND PROFESSIONS CODE

§7151 Home improvement goods or services: definitions

"Home improvement" means the repairing, remodeling, altering, converting, of modernizing of or adding to, residential property and shall include, but not be limited to, the construction, erection, replacement, or improvement of driveways, swimming pools not subject to the provisions of Sections 7167, terraces, patios, landscaping, fences, porches, garages, fallout shelters, basements, and other improvements of the structures or land which is adjacent to a dwelling house. "House improvement" shall also mean the installation of home improvements goods or the furnishing of home improvement services.

For purpose of this chapter, "home improvements goods services" means goods and services as defined in Section 1689.5 of the civil code, which are bought in connection with the improvements of real property. Such home improvements goods and services include, but are not limited to carpeting, texture coating, fencing, air conditioning or heating equipment, and termite extermination. Home improvement goods include goods which are to be so affixed to real property as to become a part of real property whether or not severable therefrom.

ξ7152.2. Home Improvements contract defined

"Home improvements contract" means an agreement, whether oral or written, or contained in one or more documents, between a contractor and an owner or between a contractor and a tenant, regardless of the number of residence or dwelling units contained in the building in which the tenant resides, if the work is to be performed in, to, or upon the residence or dwelling unit of such tenant, for the performance of a home improvement and includes all labor, services, and materials to be furnished and performed thereunder.

"Home improvements contract" also means an agreement, whether oral or written, or contained in one or more documents, between a salesman, whether or not he is home improvements salesman, and (a) an owner (b) a tenant, regardless of the number of residence or dwelling units contained in the building in which the tenant resides, which provides for the sale, installation, or furnishing of home improvement goods or services.

§7159 Contract requirements; effect of noncompliance; violations

This section shall apply only to home improvement contracts, as defined in Section 7151.2, between a contractor, whether a general contractor or a specialty contractor, who is licensed or subject to be licensed pursuant to this chapter with regard to such transaction and who contracts with an owner or tenant for work upon a building or structure for proposed repairing, remodeling, altering, converting, or modernizing such building or structure and where the aggregate contract price specified in one or more improvement contracts, including all labor, services, and materials to be furnished by the contractor exceeds five hundred dollars (\$500).

Every home improvement contract and any changes in the contract subject to the provisions of this section shall be evidenced by in writing and shall be signed by all the parties to the contract thereto. The writing shall contain the following:

- (a) The name, address, and license number of the contractor, and the name and registration number of any salesman who solicited or negotiated the contract.
- (b) The approximate dates when the work will begin and be substantially completed.
- (c) A description of the work to be done and description of the materials to be used and the equipment to be used or installed and the agreed consideration for the work.
- (d) In the payment schedule contained in the contract provides for a down payment to be paid to the contractor by the owner or the tenant before commencement of work, such down payment shall not exceed one thousand dollars (\$1,000) or 10 percent of the contract price, excluding finance charges, whichever is the lesser.
- (e) A schedule of payments showing the amount of each payment as a sum in dollars and cents. In no event shall the payment schedule provide for the contractor to receive, or shall the contractor actually receive, payments in excess of 100 percent of the value of the work performed on the project at any time, excluding finance charges, except that the contractor may receive an initial down payment

authorized by subdivision (d). A failure by the contractor without lawful excuse to substantially commence work within twenty (20) days of the approximate date specified in the contract when work will begin shall postpone the next succeeding payment to the contractor for that period of time equivalent to the time between when substantial commencement was to have occurred and when it did occur. The schedule of payments shall be stated in dollars and cents, and shall be specifically referenced to the amount of work or services to be performed and to any materials and equipment to be supplied. With respect to a contract which provides for a schedule of monthly payments to be made by the owner or tenant and for a schedule of payments to be disbursed to the contractor by a person or entity to whom the contractor intends to assign the right to receive the owner's or tenant's monthly payments, the payments referred to in this subdivision mean the payments to be disbursed by the assignee and not those payments to be made by the owner or tenant.

- (f) The requirements of subdivision (d) and (e) pertaining to the payment schedule shall not apply when the contract provides for the contractor to furnish a performance and payment bond, lien and completion bond, bond equivalent, or joint control approved by the Registrar of Contractors covering full performance and completion of the contract and such bonds or joint control is or are furnished by the contractor, or when the parties agree for full payment to be made upon or for a schedule of payments to commence after satisfactory completion of the project. The contract shall contain in close proximity to the signatures of the owner or tenant has the right to require the contractor to have a performance and payment bond.
- (g) If the contract provides for a payment of a salesman's commission out of the contract price, such payments shall be made on a pro rata basis in proportion to the schedule of payments made to the contractor by the disbursing party in accordance with subdivision (e)
- (h) The language of the notice required pursuant to Section 7018.5
- (i) What constitutes substantial commencement of work pursuant to the contract.
- (j) A notice that failure by the contractor without lawful excuse to substantially commence work within twenty (20) days from the approximate date specified in the contract when work is a violation of the Contractors License Law.
- (k) If the contract provides for a contractor to furnish joint control, the contractor shall not have any financial or other interest in such joint control.

A failure by the contractor without lawful excuse to substantially commence work within twenty (20) days from the approximate date specified in the contract when work will begin is a violation of this section.

This section shall not be construed to prohibit the parties to a home improvement contract from agreeing to a contract or account subject to Chapter 1 (commencing with Section 1801) of Title 2 of Part 4 of Division 3 of the Civil Code.

The writing may also contain other matters agreed to by the parties to the contract.

The writing shall be legible and shall be such form as to clearly describe any other document which is to be incorporated into the contract, and before any work is done, the owner shall be furnished a copy of the written agreement, signed by the contractor.

For purposes of this section, the board shall, by regulation, determine what constitutes "without lawful excuse."

The provision of this section are not exclusive and do not relieve the contractor or any contract subject to it from compliance with all other applicable provision of law.

A violation of this section by a licensee, or a person subject to be licensed, under this chapter, his agent, or salesman is a misdemeanor punishable by a fine of not less than one hundred dollars (\$100) nor more than five thousand dollars (\$5,000) or by imprisonment in the county jail not exceeding one year, or by both such fine and imprisonment.