

JAYCO/LAWSON GENERAL ENGINEERING INC.

Foundation, Concrete, Masonry, Retrofit Specialist

General Building & Engineering Contractors

California License #733716

Texas License #RB014362

B General Building Contractor

A General Engineering Contractor

C36 Plumbing Contractor

C20 HVAC Contractor

C39 Roofing Contractor

Consult-Design-Build-Repair-Remodel-DVBE

Contract Date: 1/12/24

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STRUCTURAL INSPECTION REPORT / HOME IMPROVEMENT CONTRACT

Sam Zeim

12 Arrowhead Lane

Rolling Hills, Ca. 90274

310-975-5856

szeimjam@yahoo.com

Jayco/Lawson General Engineering Inc. is a Disabled Veteran owned General Engineering & Building Contractor who has successfully and credulously served Southern California since 1987 License 733716 A, B, C20, C36, C39 endorsements. Thank you for the opportunity to lend our expertise, experience, and professionalism to the triumph of your construction project. We herewith submit a proposal for materials and labor to be supplied at the sole request and order of, Sam Zeim

(Complies with Section 7159 of California Business and Professions code, and Civil Code Section 8170 as amended)

AGREEMENT BETWEEN DIRECT CONTRACTOR AND PROPERTY OWNER

The Notice of Cancellation may be mailed to the address of the direct contractor as shown below:

Pursuant to the completion of the project:

Referred to as owner, for work performed at premises set forth according to the following terms and specification:

Inclusions:

This structure at the above-mentioned address is experiencing settlement in the garage due to water intrusion.

Surface cracks are seen along with water intrusion into the garage.

2" of settlement is seen.

Floor elevations levels are not level in the garage on the left-hand side of the structure. In this area water is not draining properly.

We suggest an underpin and hardscape removal and replacement with correct elevations for water drainage.

Drainage is seen in all hardscapes with water encroaching the slab foundation and flowing into the structure.

Structural cracking is seen on upper back wall in the stucco and is a direct cause of settlement.

These cracks will continue to materialize due to structure movement and in-correct attempts to repair cracking are seen.

The waterproofing on upper deck is peeling up and needs to be re-installed.

The master bathroom shower pan is not draining properly and is leaking. Remove and replace.

Repair bedroom ceiling damage.

Recessed living room could leak due to exterior hardscape elevations. Add flashing and waterproof before hardscape is installed.

Hardscape around the pool needs to be removed and replaced with special rebar dowls into the deck walls to prevent movement. We propose concrete and rebar over pavers for true waterproofing.

All brick hardscape needs to be removed and replaced with concrete and surface drainage.

Install property drainage in the back yard and sides of the structure.

Hardscape correction \$55,000.00

Garage underpin \$15,000.00

Shower pan and leak \$5,000.00

Deck waterproofing \$500.00

Surface drainage \$15,000.00

SCHEDULE OF PROGRESS PAYMENTS: The schedule of progress payments must specifically describe each phase of work, including the type and amount of work or services scheduled to be supplied in each phase, along with the amount of each proposed progress payment. IT IS AGAINST THE LAW FOR A DIRE

CT CONTRACTOR TO COLLECT PAYMENT FOR WORK NOT YET COMPLETED, OR FOR MATERIALS NOT YET DELIVERED. HOWEVER, A CONTRACTOR MAY REQUIRE A DOWNPAYMENT.

(Work or Services to be Performed or Materials and heavy equipment to be Supplied)

(If necessary, continue the description of the work on an additional attachment page and describe the attachment in the section below entitled, "List of Documents to be Incorporated into the Contract.")

Allowances: The following items or specific prices as indicated are included in the contract prices as allowances. The contract price shall be adjusted upward or downward based on actual amounts rather than estimated amounts herein: YES.

List of Documents to be Incorporated into the Contract: Notice of Cancellation; Arbitration of Disputes; Three-Day Right to Cancel; Mechanics Lien Warning; Information about Contractor's State License Board: YES

A notice concerning commercial general liability insurance and workers' compensation insurance is attached to this contract.

Owner acknowledges receipt of a fully completed copy of this agreement and all documents listed above:
(Property Owner's Initials) _____.

You are entitled to a filled in copy of this agreement, signed by both you and the contractor, before any work may be started.

X Firm Name: Lawson Construction Signature _____ Date: _____

(Owner Sign here – Read notice on Arbitration, Mechanics, Lien Warning)

Date: _____ (If more than one Owner, please Sign Here) (Date) (Direct Contractor or Agent)

Date: _____

TERMS AND CONDITIONS

1. Owner's Responsibilities. The Owner is responsible to supply water, gas, sewer and electrical utilities unless otherwise agreed to in writing. Electricity and water to the site is necessary. Owner agrees to allow and provide Contractor and his equipment access to the property. The Owner is responsible for having sufficient funds to comply with this agreement. This is a cash transaction unless otherwise specified. The Owner is responsible to remove or protect any personal property and Contractor is not responsible for same or for any carpets, drapes, furniture, driveways, lawns, shrubs, etc. The Owner shall point out and warrant the property lines to Contractor and shall hold Contractor harmless for any disputes or errors in the property line or setback locations.
 2. Delays. Contractor agrees to start and diligently pursue work through to completion, but shall not be responsible for delays for any of the following reasons: failure of the issuance of all necessary building permits within a reasonable length of time, funding of loans, disbursement of funds into control or escrow, acts of neglect or omission of Owner or Owner's employees or Owner's agent, acts of God, stormy or inclement weather, strikes, lockouts, boycotts or other labor union activities, extra work, ordered by Owner, acts of public enemy, riots or civil commotion, inability to secure material through regular recognized channels, imposition of Government priority or allocation of materials, failure of Owner to make payments when due, or delays caused by inspection of changes ordered by the inspectors of authorized governmental bodies, or for acts of independent Contractors, or other causes beyond Contractor's reasonable control.
 3. Plans and Specifications. If plans and specifications are prepared for this job, they shall be attached to and become a part of the Agreement. Contractor will obtain and pay for all required building permits, but Owner will pay assessments and charges required by public bodies and utilities for financing or repaying the cost of sewers, storm drains, water service, other utilities, water hook-up charges and the like.
 4. Subcontracts. The Contractor may subcontract portions of this work to properly licensed and qualified subcontractors.
 5. Completion and Occupancy. Owner agrees to sign and record a notice of completion within five days after the project is complete and ready for occupancy. If the project passes final inspection by the public body but Owner fails to record Notice of Completion, then Owner hereby appoints Contractor as Owner's agent to sign and record a Notice of Completion on behalf of Owner.
- This agency is irrevocable and is an agency coupled with an interest. In the event the Owner occupies the project or any part thereof before the Contractor has received all payment due under this contract, such occupancy shall constitute full and unqualified acceptance of all the Contractor's work by the Owner and the Owner agrees that such occupancy shall be a waiver of all claims against the Contractor.
6. Insurance and Deposits. Owner will procure at his own expense and before the commencement of any work hereunder, fire insurance with course of construction, vandalism and malicious mischief clauses attached, such insurance to be a sum at least equal to the contract price with loss, if any, payable to any beneficiary under any deed of trust covering the project, such insurance to name the Contractor and his subcontractors as additional insured, and to

protect Owner, Contractor and his subcontractors and construction lender as their interests may appear; should Owner fail to do so, Contractor may procure such insurance as agent for and at the expense of Owner, but is not required to do so. If the project is destroyed or damaged by disaster, accident or calamity, such as fire, storm, earthquake, flood, landslide, or by theft or vandalism, any work done by the Contractor rebuilding or restoring the project shall be paid by the Owner as extra work. Contractor shall carry Worker's Compensation Insurance for the protection of Contractor's employees during the progress of the work. Owner shall obtain and pay for insurance against injury to his own employees and persons under Owner's discretion and persons on the job site at Owner's invitation.

7. Right to Stop Work. Contractor shall have the right to stop work if any payment shall not be made, when due, to Contractor under this agreement; Contractor may keep the job idle until all payments due are received. Such failure to make payment, when due, is a material breach of this Agreement.

8. Clean Up. Contractor will remove from Owner's property debris and surplus material created by his operation and leave it in a neat and clean condition.

9. Limitations. No action of any character arising from or related to this contract, or the performance thereof, shall be commenced by either party against the other more than two years after completion or cessation of work under this contract.

10. Validity and Damages. In case of one or more of the provisions of this Agreement or any application thereof shall be invalid, unenforceable, or illegal, the validity, enforceability and legality of the remaining provisions and any other applications shall not in any way be impaired thereby. Any damages for which Contractor may be liable to Owner shall not, in any event, exceed the cash price of this contract.

11. Asbestos, Lead, Mold, and other Hazardous Materials. Owner hereby represents that Owner has no knowledge of the existence on or in any portion of the premises affected by the Project of any asbestos, lead paint, mold (including all types of microbial matter or microbiological contamination, mildew, or fungus), or other hazardous materials.

Testing for the existence of mold and other hazardous materials shall only be performed as expressly stated in writing. Contractor shall not be testing or performing any work whatsoever in an area that is not identified in the Scope of Work.

Unless the contract specifically calls for the removal, disturbance, or transportation of asbestos, polychlorinated biphenyl (PCB), mold, lead paint, or other hazardous substances or materials, the parties acknowledge that such work requires special procedures, precautions, and/or licenses. Therefore, unless the contract specifically calls for same, if Contractor encounters such substances, Contractor shall immediately stop work and allow the Owner to obtain a duly qualified asbestos and/or hazardous material contractor to perform the work or Contractor may perform the work itself at Contractor's option. Said work will be treated as an extra under this contract, and the Contract Term setting forth the time for completion of the project may be delayed.

In the event that mold, or microbial contamination is removed by Contractor, Owner understands and agrees that due to the unpredictable characteristics of mold and microbial contamination, Contractor shall not be responsible for any recurring incidents of mold or microbial contamination appearing in the same or any adjacent location, subsequent to the completion of the work performed by Contractor. Owner agrees to hold Contractor harmless and shall indemnify Contractor harmless for any recurrence of mold or microbial contamination. Owner also agrees that Contractor shall not be responsible, and agrees to hold Contractor harmless and indemnify Contractor, for the existence of mold or microbial contamination in any area that Contractor was not contracted to test and/or remediate. Further, Owner is hereby informed, and hereby acknowledges, that most insurers expressly disclaim coverage for any actual or alleged damages arising from mold or microbial contamination.

Contractor makes no representations whatsoever as to coverage for mold contamination, though at Owner's additional expense, if requested in writing, Contractor will inquire as to the availability of additional coverage for such contamination or remediation, and if available, will obtain such coverage if the additional premium is paid for by Owner as an extra.

12. Standards of Materials and Workmanship. Contractor shall use and install "standard grade" or "builder's grade" materials on the project unless otherwise stated in the Scope of Work, the plans, and/or specifications provided to Contractor prior to the execution of this Agreement. Unless expressly stated in the Scope of Work, Contractor shall have no liability or responsibility to restore or repair the whole or any part of the premises affected by the work of Contractor to be performed herein or by any subsequently agreed-upon change order, including as an illustration and not as a limitation, any landscaping, sprinkler system, flooring and carpet, wall coverings, paint, tile, or decorator items.

13. Interest: Overdue payments will bear interest at the rate of 1 ½% (one and a half) per month (18% per annum)

14. Changes in the Work. Should the Owner, construction lender, or any public body or inspector direct any modification or addition to the work covered by this contract, the contract price shall be adjusted accordingly.

Modification or addition to the work shall be executed only when a Contract Change Order has been signed by both the Owner and the Contractor. The change in the Contract Price caused by such Contract Change Order shall be as agreed to in writing, or if the parties are not in agreement as to the change in Contract Price, the Contractor's actual cost of all labor, equipment, subcontracts and materials, plus a Contractor's fee of ____% shall be the change in Contract Price.

The Contract Change Order may also increase the time within which the contract is to be completed.

Contractor shall promptly notify the Owner of (a) subsurface or latent physical conditions at the site differing materially from those indicated in the contract, or (b) unknown physical conditions differing materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in this contract. Any expense incurred due to such conditions shall be paid for by the Owner as added work.

Note about Extra Work and Change Orders: Extra work and Change Orders become part of the contract once the order is prepared in writing and signed by the parties prior to the commencement of any work covered by the new change order. The order must describe the scope of the extra work or change, the cost to be added or subtracted from the contract, and the effect the order will have on the schedule of progress payments.

You, the buyer, may not require a contractor to perform extra or change-order work without providing written authorization prior to the commencement of any work covered by the new change order. Extra work or a change order is not enforceable against a buyer unless the change order also identifies all of the following in writing prior to the commencement of any work covered by the new change order:

(i) The scope of work encompassed by the order; (ii) The amount to be added or subtracted from the contract; and (iii) The effect the order will make in the progress payments or the completion date. The Contractor's failure to comply with the requirements of this paragraph does not preclude the recovery of compensation for work performed based upon legal or equitable remedies designed to prevent unjust enrichment.

15. Attorney's Fees. If it becomes necessary for any party to enforce this contract by employing an attorney, such party shall be entitled to collect reasonable attorney's fees, and court costs from the non-performing party.

16. Un-foreseen conditions and material. Not included in above specifications are un-foreseen problems, conditions or hazardous materials, pre-existing conditions, rocks, sun damage, water damage, termite and dry-rot damage. earthquake damages. concrete crack damages, grass damages, tire track damages or tire or track tread marks. If rocks larger than softballs are found during an excavation process, there will be an (extra charge to dispose of and to excavate this material.) This makes our job more difficult during excavation, and during the dumping process. The dirt removed needs to be clean and free of rock to be able to be accepted by the disposal company- No exceptions. Heavy equipment clearance width 6'

All materials are guaranteed to be as specified and to carry manufacturer's warranty. All work to be completed in a neat and workmanlike manner. Any alteration or deviation from the above specifications involving extra labor and/or material costs will be executed only upon written order from owner or his authorization agent and will become an extra charge over the below agreed amount. The extra charges will be due before the extra work begins... Agreements made with mechanics or subcontractors on the job are not recognized. No statement, arrangement or understanding

expressed or implied not contained herein will be recognized.

THREE-DAY RIGHT TO CANCEL

You, the buyer, have the right to cancel this contract within three business days. You may cancel by emailing, mailing, faxing, or delivering a written notice to the contractor at the contractor's place of business by midnight of the third business day after received a signed and dated copy of the contract that includes this notice. Include your name, your address, and the date you received the signed copy of the contract and this notice.

If you cancel, the contractor must return to you anything you paid within 10 days of receiving the notice of cancellation. For your part, you must make available to the contractor at your residence, in substantially as good condition as you received them, any goods delivered to you under this contract or sale. Or you may if you wish, comply with the contractor's instructions on how to return the goods at the contractor's expense and risk. If you do make the goods available to the contractor and the contractor does not pick them up within 20 days of the date of your notice of cancellation, you may keep them without any further obligation. If you fail to make the goods available to the contractor, or if you agree to return the goods to the contractor and fail to do so, then you remain liable for performance of all obligations under the contract.

I, _____ (BUYER), hereby acknowledge that on _____ (DATE) was provided this document entitled "Three Day Right to Cancel" X _____ (Buyer's Signature)

COMMERCIAL GENERAL LIABILITY INSURANCE

(A) _____ does not carry Commercial General Liability Insurance.

X (B) Jason Twedell & Larry Lawson carries Commercial General Liability Insurance.

Insurance Company Name: Great Ins. Services Phone Number: 818-344-3098

(C) _____ is self-insured.

(D) _____ is a limited liability company that carries liability insurance or maintains other security as required by law.

Insurance Company Name: Great Insurance services Phone Number: 818-344-3098

WORKERS' COMPENSATION INSURANCE

(A) This contractor has no employees and is exempt from workers' compensation requirements.

X (B) This contractor carries workers' compensation insurance for all employees.

NOTICE OF CANCELLATION DATE _____

You may cancel this transaction, without any penalty or obligation, within three business days from the above date.

If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within 10 days following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be cancelled.

If you cancel, you must make available to the seller at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale, or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk.

If you do make the goods available to the seller and the seller does not pick them up within 20 days of the date of your notice cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the seller, or if you agree to return the goods to the seller and fail to do so, then you remain liable for

performance of all obligations under the contract.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice, or any other written notice, or send a telegram **to Lawson Construction 4333 Rubidoux Ave Riverside CA 92506.**

I hereby cancel this transaction X _____ Date _____

STATUTORY NOTICES

Information about the Contractors' State License Board (CSLB)

CSLB is the state consumer protection agency that licenses and regulates construction contractors.

Contact CSLB for information about the licensed contractor you are considering, including information about disclosable complaints, disciplinary actions and civil judgments that are reported to CSLB.

Use only licensed contractors. If you file a complaint against a licensed contractor within the legal deadline (usually four years), CSLB has authority to investigate the complaint. If you use an unlicensed contractor, CSLB may not be able to help you resolve your complaint. Your only remedy may be in civil court, and you may be liable for damages arising out of any injuries to the unlicensed contractor or the unlicensed contractor's employees.

For more information:

Visit CSLB's Internet Web site at www.cslb.ca.gov.

MECHANICS LIEN WARNING

HOME IMPROVEMENT CONTRACT MECHANICS LIEN WARNING. Anyone who helps improve your property, but who is not paid, may record what is called a mechanics lien on your property. A mechanics lien is a claim, like a mortgage or home equity loan, made against your property and recorded with the county recorder.

Even if you pay your contractor in full, unpaid subcontractors, suppliers, and laborers who helped to improve your property may record mechanics liens and sue you in court to foreclose the lien. If a court finds the lien is valid, you could be forced to pay twice or have a court officer sell your home to pay the lien. Liens can also affect your credit.

To preserve their right to record a lien, each subcontractor and material supplier must provide you with a document called a 'Preliminary Notice.' This notice is not a lien. The purpose of the notice is to let you know that the person who sends you the notice has the right to record a lien on your property if he or she is not paid.

BE CAREFUL. The Preliminary Notice can be sent up to 20 days after the subcontractor starts work or the supplier provides material. This can be a big problem if you pay your contractor before you have received the Preliminary Notices.

You will not get Preliminary Notices from your prime contractor or from laborers who work on your project. The law assumes that you already know they are improving your property.

PROTECT YOURSELF FROM LIENS. You can protect yourself from liens by getting a list from your contractor of all the subcontractors and material suppliers that work on your project. Find out from your contractor when these subcontractors started work and when these suppliers' delivered goods or materials. Then wait 20 days, paying attention to the Preliminary Notices you receive.

PAY WITH JOINT CHECKS. One way to protect yourself is to pay with a joint check. When your contractor tells you, it is time to pay for the work of a subcontractor or supplier who has provided you with a Preliminary Notice, write a joint check payable to both the contractor and the subcontractor or material supplier.

REMEMBER, IF YOU DO NOTHING, YOU RISK HAVING A LIEN PLACED ON YOUR HOME. This can mean that you may have to pay twice or face the forced sale of your home to pay what you owe.

For other ways to prevent liens, visit CSLB's Internet Web site at www.cslb.ca.gov.

ARBITRATION OF DISPUTES: Any controversy or claim arising out of or related to this contract, or breach thereof, shall be settled by binding arbitration in accordance with the construction industry arbitration rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Claims within the monetary limit of the small claims court shall be litigated in such court at the request of either party, so long as both parties limit their right to recovery to the jurisdiction of the small claims court.

Any claim filed in small claims court shall not be deemed to be a waiver of the right to arbitrate, and if a counter claim in excess of the jurisdiction of the small claims court is filed in the municipal or superior court, then the party filing in small claims court may demand arbitration pursuant to this paragraph.

Notice: by initialing in the space below you are agreeing to have any dispute arising out of the matters included in the "arbitration of disputes" provision decided by neutral arbitration as provided by California law and you are giving up any rights you might possess to have the dispute litigated in a court or jury trial. By initialing in the space below you are giving up judicial rights to discovery and appeal, unless those rights are specifically included in the "arbitration of disputes" provision. If you refuse to submit to arbitration after agreeing to this provision, you may be compelled to arbitrate under the authority of the business and professions code or other applicable laws. Your agreement to this arbitration provision is voluntary.

We have read and understand the foregoing and agree to submit disputes arising out of the matters included in the "arbitration of disputes" provision to neutral arbitration.

I agree to Arbitration X _____ (CONTRACTOR'S INITIALS)

I Agree to Arbitration X _____ (OWNER'S INITIALS)

In the event that Contractor and Owner have not each initialed the arbitration provision above, then it shall be conclusively agreed without a subsequent written agreement by all parties, that neither party agrees to arbitrate, and the arbitration of disputes provision shall not be deemed to be a part of this agreement.

CUSTOMER ACKNOWLEDGMENT

I hereby acknowledge receipt of the following documents or Notices:

- | | |
|--------------------------------|--|
| X 1. Home Improvement Contract | X 5. Disclosure re: Commercial General Liability Insurance |
| X 2. Notice of Arbitration | X 6. Disclosure re: Workers' Compensation Insurance |
| X 3. Notice of Cancellation | X 7. Statutory Notices |
| X 4. Three-Day Right to Cancel | X 8. Mechanics Lien Warning |

Owner: _____ Owner: X _____
(Print Name of Owner) (Owner Signature) (Date)

**Not included in above specifications are un-foreseen problems, hazardous materials, rock, pipe, concrete or pre-existing conditions. You, the buyer, may cancel this transaction at any time prior to midnight of the third business day after the date of this transaction.

*All materials are guaranteed to be as specified and to carry manufacturer's warranty. All work to be completed in a neat and workmanlike manner. Any alteration or deviation from the above specifications involving extra labor and/or material costs will be executed only upon written order from owner or his authorization agent and will become an extra charge over the below agreed amount. The extra charges will be due before the extra work begins... Agreements made with mechanics or subcontractors on the job are not recognized. No statement, arrangement or understanding expressed or implied not contained herein will be recognized. **Proposal is valid for thirty (30) days.***

We propose to furnish and install the above complete, in accordance with the above specifications for the sum of:

TOTAL AMOUNT \$90,500.00 Cash deal
Deposit \$ 1,000.00
Due on day 2, a payment of \$44,750.00
Due on day 10, a payment of \$43,750.00
Upon Completion \$1000.00

Jayco/Lawson Inc.
Bank Of America
Routing # 026009593
Account# 325165876430

THE FOREGOING TERMS, SPECIFICATIONS AND CONDITIONS ARE SATISFACTORY AND ARE HEREBY AGREED TO. YOU ARE AUTHORIZED TO DO THE WORK SPECIFIED AND PAYMENT WILL BE MADE AS OUTLINED ABOVE. THE OWNER UPON SIGNING THIS AGREEMENT REPRESENTS AND WARRANTS THAT HE OR SHE IS THE OWNER OR AGENT FOR THE FORE-SAID PREMISES AND THAT HE OR SHE HAS READ AND UNDERSTANDS THIS AGREEMENT

ACCEPTED BY OWNER: _____ DATE: _____

LAWSON CONSTRUCTION: _____ DATE: _____

CALIFORNIA CONTRACTOR'S LICENSE 733716, A, B, C-36, C-20, TEXAS LICENSE RB014362