

info@alphastructural.com

PROPOSAL & CONTRACT

(Valid for 30 days)

Kathleen Egan

Email: <u>Brandon@andersonballard.com</u>

Phone: 818-205-3559

December 20, 2023 Contract #AS53752

Site Address: 7032 Washington Avenue, Whittier, CA, 90602

JACK LIFT & FRAMING

SCOPE OF WORK SUMMARY:

Alpha Structural to Design, Structural engineering, plans & permit expediting for the future construction by Alpha Structural Inc, to jack lift and shore two buildings to remove and replace failed cripple walls approx. 200lf at rear sections of structures additionally to shear the walls & add 32 pier footings with new posts per currant building standards.

INCLUDES:

- Alpha Structural to Design, Structural engineering, plans & permit expediting.
- Mobilize temp trash and toilett.
- Cut and demo stucco in areas where cripples will be replaced.
- Jack lift & shore structures for removal of failed cripple walls.
- Demolish and remove failed framing.
- Install new pressure treated mud sill with code conforming anchors.
- Excavate for 16 new 18"x18" footings per building.
- Install new posts and pier blocks.
- Pour 2,500 psi concrete for 32 footings.
- Strap posts.
- Frame new cripple walls approx. 100lf per building with code conforming LTP/5 & A/35s.
- Shear all walls approx. 374 lineal feet utilizing some of the existing framing with struct#1 plywood and screen vents.
- Remove shoring.
- Clean up and haul away all demo debris.

EXCLUDES:

Stucco repair and replacement.

City, permit and plan check fees, cosmetic repairs or upgrades as a result of structural/grading work, landscaping repairs or upgrades of any kind, mechanical, electrical or plumbing repairs/ upgrades, geotechnical, hazardous material abatement or testing unless specifically defined in this contract, environmental services, architectural services and M.E.P. plans, movement of utilities, topographic map & surveying, deputy and/or special inspection fees or testing, additional scope of work. See Notices, Terms and Conditions.

Contract price: \$142,676.00 Down Payment: \$1000.00

Schedule of payments:

Amount:	Due on:	
\$23,446.00	Commence.	
\$23,446.00	Shoring.	
\$23,446.00	Demo. Č	
\$23,446.00	Footings.	
\$23,446.00	Framing.	
\$23,446.00	Shear walls	
\$1,000.00	Complete	

Payment C.O.D. upon pay schedule items being complete.

The down payment may not exceed \$ 1,000.00 or 10 percent of the contract price, whichever is less.

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Owner shall pay Engineer/Contractor the fixed sum listed above as Contract Price for the work performed under this contract, subject to additions and deductions pursuant to change orders agreed upon in writing by the parties.

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 contractor to collect payment for work not yet completed, or for materials not yet delivered. However, a contractor may require a down payment.

Start and Completion of Work: The work to be performed under this contract shall commence on approximately *(TBD)*, if any required building permits are received and any agreed upon funds are paid to Contractor. The project shall be completed by approximately *(40 working days,* subject to permissible delays as defined in this contract.

This Contract and its attachments constitute the entire agreement between the parties. There are no other agreements, oral or written, pertaining to the work to be performed under this Contract. This Contract can be modified only by an agreement in writing signed by the parties.

You are entitled to a filled-in copy of this agreement, signed by both you and the contractor/agent before any work may be started. Owner acknowledges receipt of a complete, signed, and legible copy of this Contract:

The law requires that the contractor give you a notice explaining your right to cancel. Initial the checkbox if the contractor has given you a copy of Attachment "B", 'Notice of Right to Cancel': [_____]

Notice of Cancellation may be mailed to the address at the bottom of the contract. See attachment B Notice of Right to Cancel.

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ACCEPTANCE OF CONTRACT

I have read and understand this contract; the documents incorporated into this contract and agree to all terms and conditions.

Date:12/20/2023<mark>X:</mark>

Date

Contractor/Salesman's Signature

Property Owner/Owners Agents Signature

Individual who negotiated this contract:

Ken Crown

Phone: 323-927-2613

Email: Ken@alphastructural.com

Alpha Structural, Inc.

General Engineering Contractors - Structural Engineers

State License # 663409

List of Documents to be incorporated into this Contract:

Attachment A Attachment B

info@alphastructural.com

ATTACHMENT A

CONSUMER NOTICES, TERMS AND CONDITIONS

CONTRACT, PLANS AND SPECIFICATIONS. The contract, plans and specifications are intended to supplement each other in case of conflict; however, the plans shall have control over the specifications, and the provisions of this contract shall control both.

PLANS, SPECIFICATIONS AND PERMITS. The project will be constructed according to contract and specifications which have been examined by the Owner. Building permits and expediting fees shall be paid for by Owner unless otherwise specified on proposal page. Owner will pay assessments and charges required by public bodies and utilities as apply. Owner shall pay for geotechnical fees, special inspection fees, engineer fees unless otherwise stated on preceding page.

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 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.

EXTRA WORK AND CHANGE ORDERS ALSO APPLY TO ENGINEERING. If Owner, Owner's architect or any of Owner's agents requests a change in the design, engineering or scope of work which will change the work originally contracted for, a change order will be prepared and signed by the parties prior to commencement of any new work, as covered above.

If Owner or his agents or any public body or inspector directs any modification or addition to the work covered by this Contract, the Contract Price and time of performance shall be adjusted accordingly. Payments for extra work shall be made as the work progresses, concurrently with progress payments.

Work or expenses necessitated as a result of Contractor encountering conditions at the Project site which

- are subsurface or otherwise concealed conditions which differ materially from those indicated in the plans and specifications, or in the event work was necessitated to maintain job progress (i.e. added foundation depth, detail changes, required excavation, etc.). Expense incurred because of adverse ground conditions whether expressed in the Soils Report or not such as fill, hard soil, rock or ground water (hard soil is defined as material unable to be excavated by conventional auger bit using equipment in use at time of construction or for hand excavation, less than 1 cubic yard removed per man per day) shall be paid for by Owner as extra work. Casing of holes, de-watering or other added work shall be extra work.
- are unusual and differ materially from those ordinarily encountered on construction activities of the kind described in the plans and specifications, shall be deemed extra work and shall be paid for by Owner in accordance with this Paragraph.

Contractor shall not be required to perform any extra or change order work without prior written authorization of Owner and all signed change orders shall be incorporated into and become a part of this Contract.

PERMITS AND TESTS. Unless otherwise agreed to in writing by both parties, the Contractor shall procure the necessary permits for the work. Owner shall pay the governmental fees and Contractor's charges for said permits. If any tests or inspections are required by the plans and specifications or by the orders of any public authority having jurisdiction, Owner agrees to procure said tests and inspections and to pay all costs and fees associated with them.

EMERGENCY OR CATASTROPHIC SITUATION. In the event of an imminent emergency, catastrophic or unpreventable situation wherein Contractor is unable to reach Owner, Contractor may perform extra work and shall be entitled to be paid for work.

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RIGHT TO STOP WORK. Contractor shall have the right to stop work if any payment, including any payment for extra work, is not made to Contractor as agreed in this Contract. If any payment required under this Contract is not made when due, Contractor may keep the Project idle until such time as all payments due have been made.

PERMISSIBLE DELAYS. Contractor shall be excused from any delay in the completion of the work to be performed under this Contract caused by acts of God, inclement weather, acts or omissions of Owner or of Owner's agents, employees or independent contractors, material shortages, strikes or other labor troubles, acts of public utilities, acts of public bodies or inspectors (unless related to defects in Contractor's performance), extra work, changes requested by Owner, failure by Owner to make payments promptly, or other circumstances or contingencies unforeseen by Contractor and beyond Contractor's reasonable control.

LABOR AND MATERIAL. Contractor shall pay all valid charges for labor and material incurred by contractor and used in the construction of the project but is excused by Owner from this obligation for bills received in any period during which Owner is in arrears in making progress payments to the contractor.

Should contractor fail to make payments required under this paragraph, Owner may make such payments on behalf of contractor, and contractor shall reimburse Owner for the amount actually paid on demand, but Owner shall not, by means of assignment or otherwise be entitled to collect any greater amount from contractor than the amount actually paid for labor and material under this paragraph.

No waiver or release of mechanics lien given by contractor shall be binding until all payments due to contractor when the release was executed have been made.

COSMETIC WORK. No cosmetic work whatsoever shall be undertaken unless expressly written on previous page under "Includes." Cosmetics, for the purposes of this agreement, include stucco, paint, concrete color matching, siding, doors, windows, moldings, hardwood flooring, carpeting, plants, landscaping or hardscape, plaster cracks or other damage caused by house jacking, dry wall repairs, brick work or stonework.

FURTHER EXCLUSIONS. These include but are not limited to damage to sidewalks, walkways, streets, curbs, caused by construction, added depths of foundations, as-builts, topo map, electrical, low voltage wiring, plumbing, HVAC or duct work, planters, acoustic ceiling, additional design/correction details, relocating plumbing, installing City required gas shut off valves, sewage, electrical and any connected fees, inspection reports, damage to personal property or property contents.

HOUSE/BUILDING JACKING. Raising floor planes is an inexact means of correcting settled floors visually. "Level" is not the standard but rather an approximation of 1" drop in 20 linear feet and this is only a guide and may not be achieved. The effort is a flatter looking floor, not a "level" floor.

OWNER INDEMNIFICATION: The Contractor hereby agrees to hold the Owner harmless and to indemnify the Owner against any and all claims which may arise during the course of the work as a consequence of the negligent acts or deliberate omissions of the Contractor, its agents or employees.

CONTRACTOR INDEMNIFICATION: The Owner hereby agrees to hold the Contractor harmless and to indemnify the Contractor against any and all claims which may arise during the course of the work as a consequence of the negligent acts or deliberate omissions of the Owner, its agents or employees.

OWNER'S RIGHT TO REQUIRE BOND: Owner has the right to require Contractor to have a performance and payment bond. The expense of such bond may be borne by Owner.

WORKERS' COMPENSATION INSURANCE. This contractor carries workers' compensation insurance for all employees.

FINAL INSPECTION. It is possible that the Final Inspection is linked to work outside the scope provided by Alpha Structural, Inc., such as stucco or other work. In this case, it is only the completion of work as expressed by this agreement that needs to be complete to execute final payment.

CLEAN-UP. Upon completion of the work, contractor will remove debris and surplus material from Owner's property and leave it in a neat and broom-clean condition unless otherwise stated in this contract. Contractor is not responsible for dust that may permeate home typical in the nature of construction and Owner is forewarned that potential cleaning of the home may be necessary by self.

TAXES AND ASSESSMENTS. Taxes and special assessments of all descriptions will be paid for by Owner.

NOTICE. Any notice required or permitted under this contract may be given by ordinary mail at the address contained in this contract, but such address may be changed by written notice given by one party to the other from time to time. After a notice is deposited in the mail postage prepaid it shall be deemed received in the ordinary course of the mails.

ESCROW ACCOUNT. As applicable, Alpha Structural, Inc. reserves the right to require that a separate fund control or escrow account be established to guarantee funding of said project at Owner's expense.

INTEREST CHARGES FOR LATE PAYMENTS. Payments are COD as work progresses and final payment of completion of work. Interest will be billed at 10% per annum, calculated daily for any late payments.

ACKNOWLEDGEMENT OF DESIGN/BUILD PROPOSAL. Owner acknowledges this is a Design/Build contract for the purpose of retaining Alpha Structural, Inc. for both proprietary and specialized engineering services and subsequent specialized construction services for the repair of distressed retaining walls and structural modifications. The purpose of this Design/Build Contract is for the development of engineering plans, for the exclusive use only by Alpha Structural, Inc., to construct the Owner's project. The drawings, specifications and other documents prepared by Alpha Structural, Inc. for this project are instruments of the Alpha Structural, Inc.'s service for use solely with respect to the Owner's construction project. Alpha Structural, Inc. shall be deemed the author of these documents and shall retain all common law, statutory and other reserved rights, including copyright until completion of the construction project.

DISCRETIONARY DESIGN/BUILD CONTRACT DISSOLUTION. If the Owner, after cancellation period, determines that an exigent circumstance exists to cancel the Build portion of the contract, after the Design portion has been begun and/or completed, Alpha Structural, Inc., in their discretion, may absolve the Client of their duties under the contract so long as the following occurs: Owner signs and accepts all terms in the Alpha Structural, Inc. Mutual Release of Design/Build that includes the following terms:

- a. All payments for Engineering paid to Alpha Structural, Inc.
- b. Alpha Structural, Inc. delivering a set of draft plans which will not contain the logos, marks, calculations or stamps associated with Alpha Structural, Inc.
- c. Sign a Change of Engineer for Client, and will remove all Alpha Structural, Inc. association and responsibility from any permitting documentation.
- d. Owner understands that upon Alpha's claim of "irreconcilable differences," Alpha Structural, Inc. will not conduct any jobsite inspections or consultations with new engineers hired by Owner.

CITY CODE CHANGES. The costs and requirements of City Code Changes are excluded from this Contract.

PRICING CHANGES. The Proposal pricing is subject to change at the discretion of Alpha Structural, Inc., after 90 days of non-acceptance of Contract by Owner.

REMEDIAL WORK: If this project is for a remedial scope of work, the following applies:

a. It should be noted that this project is considered remedial and voluntary in nature and is not intended to upgrade

the entire structure to current code requirements. The attempt is to improve a pre-existing condition where factors such as Owner's budget and severity of damage have been considered in this effort.

- b. As this work is being proposed in lieu of more significant work and financial costs including Geotechnical Soils
- c. Reports and significantly larger scopes of work/costs, we agree on a remedial approach to this project based on your financial and other goals with the structure.

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 '20-day 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. For other ways to prevent liens, visit CSLB's Web site at www.cslb.ca.gov or call CSLB at 800-321-CSLB (2752). 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.

RELEASE OF MECHANIC'S LIENS. Upon satisfactory payment being made for any portion of the work performed, Contractor shall, prior to any further payment being made, furnish to Owner a full and unconditional release from any claim or mechanic's lien pursuant to Section 3114 of the California Civil Code, for that portion of the work for which payment has been made.

BANKRUPTCY. If either party becomes bankrupt, or makes an assignment for the benefit of creditors, the other party has the right to cancel this contract.

ATTORNEY FEES. If either party becomes involved in litigation arising out of this contract or the performance thereof, the court in such litigation, or in a separate suit, shall award reasonable costs and expenses, including attorney fees to the party justly entitled thereto. In awarding attorney fees, the court will not be bound by any court fee schedule, but shall, if it is in the interest of justice to do so, award the full amount of costs, expenses and attorney fees paid or incurred in good faith.

MEDIATION. Unless otherwise agreed upon by the parties in writing, any controversy arising out of the construction of the project referred to in this contract shall be subject to a good faith mediation conducted by and in accordance with the rules of the American Arbitration Association. Mediation shall take place prior to the commencement of arbitration, but in no event later than (60) days after the first demand for arbitration is filed by one of the parties. Mediation shall be governed by the confidentiality requirements contained in California Evidence Code Section 1152.5. Should mediation

fail, the parties shall arbitrate their dispute according to the terms of Section 17b, intra, but unless otherwise agreed by the parties, the arbitrator shall not be the same person who conducted the mediation.

PROHIBITION OF ASSIGNMENT. Contractor may not assign this contract or payment due under this contract to any other party without the written consent of Owner.

ARBITRATION. Any controversy arising out of the construction of the project referred to in this contract or regarding the interpretation of this contract shall be subject to arbitration in accordance with the applicable Construction Industry Arbitration Rules of the American Arbitration Association which are in effect at the time the demand for arbitration is filed. Should any party refuse or neglect to appear or participate in an arbitration proceeding, the arbitrator is empowered to decide the controversy in accordance with whatever evidence is presented. The arbitrator is authorized to award any party or parties such sums as he or she shall deem proper for the time, expense and trouble of arbitration.

Contractor agrees that its subcontractors will contain an arbitration provision providing that any controversy arising out of the construction of the project referred to in this contract shall be subject to arbitration by and in accordance with the applicable Construction Industry Arbitration Rules of the American Arbitration Association which are in effect at the time the demand for arbitration is filed. Contractor agrees that by subcontract it will require its subcontractors to agree, upon request of Owner or Contractor, to join as parties to arbitration pursuant to this agreement, between Owner and Contractor, and to issue only sub-subcontracts which contain like provisions, as to its subcontractors.

ARBITRATION OF DISPUTES.

NOTICE: BY SIGNING THE CONTRACT 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 SIGNING THE CONTRACT, YOU ARE GIVING UP YOUR 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.

CONFIDENTIALITY. Any information and materials disclosed by or on behalf of the party (the Disclosing Party") to the other party (the "Receiving Party") in connection with this Agreement that is reasonably considered to be confidential ("Confidential Information") and should be kept in confidence and used by the Receiving Party only for the purpose of this Agreement. Unless required by court order, law or regulation, the Receiving Party agrees not to disclose the Disclosing Party's Confidential Information to third parties except as necessary for the performance of this Agreement and under an agreement by which the third party is to be bound by the obligations of this confidentiality clause. For the purposes of this agreement, "Confidential Information" includes 1) Any portion of this contract proposal that includes any trade secret, know-how, recommendations, concept, design, sketches, object code, application, documentation, schematic, procedure, information, knowledge, data, database, process, technique, design, drawing, program, formula or test data, work in progress, engineering, manufacturing, marketing, financial, sales, supplier, technical, scientific, customer, employee, investor, or business information, whether in oral, written, graphic, or electronic form 2) any nonpublic business information, including personnel data, correspondence with any Governmental Authority, historical customer information and data, historical cost information such as budgets, operating expenses, and capital costs, and projected capital additions, operating cost information, and other business and financial reports and forecasts 3) any document, diagram, photograph, drawing, computer program, or other communication that is either conspicuously marked "confidential" or that the receiving party may know or reasonably should have known to be confidential, and 4) any advice, information, exhibits, documentation, or any other information that the receiving party should reasonably expect would be protected by attorney-client privilege, work product doctrine, or any other applicable privileges.

CONTRACTORS REQUIRED TO BE LICENSED. Contractors are required by law to be licensed and regulated by the Contractors' State License Board which has jurisdiction to investigate complaints against contractors if a complaint

regarding a patent act or omission is filed within four years of the date of the alleged violation. A complaint regarding a latent act or omission pertaining to structural defects must be filed within 10 years of the date of the alleged violation. Any questions concerning a contractor may be referred to the Registrar, Contractors' State License Board, P.O. Box 26000, Sacramento, California 95826.

INFORMATION ABOUT THE CONTRACTOR'S STATE LICENSE BOARD (CSLB). CSLB is the state consumer protection agency that licenses and regulates construction contractors. Contact the 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 Web site at www.cslb.ca.gov; Call CSLB at 800-321-CSLB (2752). Write CSLB at P.O. Box 26000, Sacramento, CA 95826.

ATTACHMENT B

NOTICE OF RIGHT TO CANCEL

You, the buyer, have the right to cancel this contract within (3) three business days. For seniors (age 65 and older), you have the right to cancel this contract within (5) five business days per California AB2471.

You may cancel by e-mailing, mailing, faxing, or delivering a written notice to the contractor at the contractor's place of business by midnight of the (3rd) third business day, or midnight of the (5th) fifth business day if 65 or older, after you 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 it, 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.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice, or any other written notice, via email to info@alphastructural.com or hand deliver to Alpha Structural, Inc., at 8334 Foothill Blvd. Sunland, CA. 91040.

I hereby cancel this transaction.

(SIGN ONLY IF CANCELLING)

Date:		
(Buyer's Name)		

