

BERG MOUNTAIN HOMES

THE QUALITY IS IN THE DETAILS

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Proposal for Residential Construction

Customer SAMPLE PROPOSAL
Location _____
Revision Date _____

Berg Mountain Homes feels that it is very important to listen carefully to a customer's wishes. At our initial meeting, we discussed many of your goals and wishes for your future home. The goal of this proposal is to translate those wishes into a working document that will accurately translate those wishes into working specifications.

This proposal is meant to be a working document. Note that at the end of each section, there may be a series of comments or questions for you in **red**. Please respond or add your own questions and comments in **blue**.

Your project won't go to pricing until the specifications are pretty much finalized. Specifications that will be determined later will be noted as such, but these are usually items that won't affect pricing.

Accuracy and detail in this proposal is important for several reasons:

1. Uncertainty causes pricing risk for the builder and that risk is mitigated with cushion or padding in the price. Accuracy and detail eliminate this risk and effectively lowers the price of the home.
2. There are a vast number of details that eventually have to be gathered in order to get your home exactly right. While not all the details included below are important for pricing, it makes sense to gather as much of the details as possible at this time as it saves work later. It will also make for a smoother, faster and more worry free construction phase.
3. It helps eliminate the potential for surprises due to a difference in assumptions between the builder and the customer. If specifications are very detailed, it is rare that we will come across an issue during construction where we disagree as to the intent (and therefore the price). In short, it holds both the builder (and the customer) accountable for what's in this document.
4. Lastly, if you are getting other bids for this job, this detail will help you evaluate the bids. For obvious reasons, it's important for comparison purposes that each bid contain the same scope of work. Since Berg Mountain Homes has spent a lot of time developing this document, we do ask that you not share it with the other bidders.

Of course, we understand that not everything can be decided at this time. Often, the decision for a certain feature will be based on price which is an unknown initially. So we offer the opportunity for you to have options available. We'll be glad to price something several ways and allow you to make the decision at a later date. With respect to this document, we will initially specify a feature a certain way and provide an overall price making that assumption, but at the end of each section we'll add other options for that feature along with how that option will change the overall price. These options are usually customer initiated, but occasionally we will add an option on our own initiative if we think it might make sense and be of interest to the customer. If during the draft phase of this proposal, you do make a decision on an option just let us know and we'll modify the specifications and pricing accordingly.

Additionally, allowances will be used in other areas where a final decision can not be reached. Of course, you will have typical allowances such as plumbing fixtures, lighting fixtures, flooring, etc. But in some cases, we may provide allowances for other construction items such as decking or masonry if we can't be sure of the scope of that item. Sometimes allowances will be in whole dollars and when it makes sense, they may be based on measurements such as square or linear footage. Berg Mountain Homes tries to make sure that allowances are healthy as we don't want you to experience surprises in the form of overages with respect to these allowances. Whenever possible, you should attempt to validate the amounts of the allowances provided by doing a little bit of shopping to see if what we provided seems to be reasonable for your tastes and wishes.

OK, enough talk, let's get started...

General

1. When this document is finalized (and you hopefully choose Berg Mountain Homes as your builder), this document will be incorporated by reference into the final Construction Agreement.
2. Unless amended in writing, please note that any specification made in this proposal will supersede any blueprints, drawings, plans or verbal discussions.
3. Construction materials and methods may vary from the blueprints or from the construction notes provided in the blueprints; but at all times state Residential Building Codes will be met or exceeded
4. Throughout this document, elevations (views from the side rather than overhead) are given with the view side of the home being the rear elevation, the opposite side being the front elevation (the street side) and then the left and right elevations being from a front elevation perspective. All dimensions are in format width x depth with a front elevation perspective.
5. To facilitate the eventual creation of work orders for the sub-contractors, this document is organized generally by trade contractor and loosely follows the home building construction schedule (that's why it starts with sitework, excavation and concrete).

Sitework and Excavation

1. excavation of home site with backfill as needed to return site as near as possible to original condition
2. 15’ setback from property lines to be maintained
3. if necessary, after house site excavation, local surveyor to mark house corners to ensure no encroachment on setbacks (cost to be paid directly by Customer)
4. Customer will identify locations for additional underbrushing and tree removal and will pay for cost outside the scope of this project
5. underbrushing (removal to ground level of most brush and trees under 6” in diameter) in area designated and agreed to between Builder and Customer
6. installing conventional (10” large diameter pipe) 3 bedroom septic system (in accordance with Cherokee County permit dated _____); installation includes removal of brush and trees as needed to install tank and drain lines
7. hydroseeding of steep banks exposed during basement excavation or creation of driveway / parking area
8. gravel driveway and turnaround area; includes fill dirt sufficient to build up driveway bank and/or turnaround area
9. private well at a suitable area near the main road – actual costs of the well to be passed through to Customer
10. extending water from well/community water system to home
11. connection of electrical line from transformer to externally mounted meter
12. landscaping allowance = \$2,500

Options:

- additional hydroseeding - \$350 per tank (covers approximately 7,000 square feet) plus additional sitework preparation costs (smoothing, removal of stumps and stones, etc.)

Notes/Questions:

- 1.

Concrete, Foundation and Slab

1. poured concrete stem wall (with footer) on view side as needed depending on depth/location of virgin soil; allowance for stem wall = \$ _____ which includes a _____’ tall _____56’ section of concrete (the full view side plus _____’ back on each side); an increase or decrease in the amount of the concrete used in the stem wall will result in a \$15/square foot cost adjustment
2. concrete footers around house perimeter – sized to code
3. footers as needed under interior load bearing walls
4. house footers that do not sit underneath concrete walls to be poured monolithically with slab
5. poured concrete basement walls (8” thick) as needed to retain earth around basement
6. concrete wall in basement bedroom to include formed opening for window

- 7. retaining wall off _____ corner; allowance for retaining wall = \$ _____ which includes a _____' tall _____' section of wall; an increase or decrease in the amount of concrete used in the stem wall will result in a \$10/square foot cost adjustment
- 8. retaining wall off _____ corner approximately sloping from 8' tall to 2' tall and extending approximately 12' from house corner
- 9. estimated concrete wall sizes as follows:
 - a. stem wall – 6' high x 70' long
 - b. basement wall – 9' high x 77' long
 - c. left side retaining wall left side of house – 8' high x 12' long
- 10. if length of concrete walls exceed estimated lengths, Customer will pay additional costs as follows (Customer will also receive a credit if lengths are less than estimated):
 - a. 3' wall - \$65 per linear foot
 - b. 4' wall - \$70
 - c. 5' wall - \$80
 - d. 6' wall - \$85
 - e. 7' wall - \$90
 - f. 8' wall - \$95
 - g. 9' wall - \$105
 - h. 10' wall - \$115
- 11. if height of concrete walls exceed estimated heights, Customer will pay additional costs calculated using the difference between the estimated height and the actual height in accordance with the above price schedule (Customer will also receive a credit if heights are less than estimated)
- 12. chases in basement concrete walls as needed for water lines, gas lines, electrical and drain lines
- 13. concrete slab as basement / garage floor with 6" x 6" #10 welded wire mesh
- 14. concrete stoop off kitchen entry (approx. 4' x 6')
- 15. termite treatment beneath slab
- 16. waterproofing of all below grade concrete walls (including footer level drainage system) – 5 yr warranty

Notes/Questions:

1.

Framing

- 1. square footage:
 - a. main floor to have _____ finished sqft
 - b. 2nd floor to have _____ finished sqft
 - c. basement to have _____ finished sqft
 - d. basement to have _____ partially finished sqft
 - e. basement to have _____ unfinished sqft
 - f. _____ sqft attached/detached garage
 - g. total finished area _____ sqft
 - h. total partially finished area _____ sqft

- i. total unfinished area ____ sqft
- 2. roof structure:
 - a. 12 / 8 pitch roof with single ridge beam and gable ends
 - b. (2) front dormers with 12/12 pitch
 - c. front covered porch with 9/12 pitch
 - d. shed roof with 4/12 pitch over rear deck
 - e. 16" soffits
 - f. stick framed roof or roof trusses
 - g. OSB roof sheathing with Titanium brand underlayment (eliminates need for felt)
 - h. roof sheathing with a reflective radiant barrier with Titanium brand underlayment
- 3. ceilings:
 - a. vaulted ceiling in great room, and foyer; all other main floor ceiling heights at 8'
 - b. vaulted ceiling in loft; all other 2nd floor ceiling height at 8'
 - c. basement ceiling height to be minimum 8'
- 4. walls:
 - a. exterior walls to be 2x6 16" on-center with 7/16" (or thicker) sheathing
 - b. interior walls to be 2x4 24" on-center (with 2x6 or closer spacing if needed for load bearing capacity)
 - c. insulation walls against basement concrete to be 2x2's
 - d. full house wrap and taping of all house wrap joints and around windows and doors
 - e. 7/16" Huber zip system for exterior wall; fully taped and sealed (eliminates need for house wrap) – for details on this system, see: <http://huberwood.com>
- 5. floor system:
 - a. floor system between basement and main floor to be open web trusses
 - b. floor system between basement and main floor to be conventional framing or I-joists with HVAC chases ...
 - c. floor system between first floor and second floor to be open web trusses
 - d. floor system between first floor and second floor to be conventional framing or I-joists with HVAC chases ...
 - e. 3/4" floor sheathing glued and screwed to floor system

Options:

- 1. roof sheathing with a reflective radiant barrier underneath (see LP Tech Shield for an example) to reduce radiant heat from the sun and reduce energy costs 10-15% - very good for vaulted ceiling applications) – add \$ ____; see <http://www.lpcorp.com/radiantbarrier>

Notes/Questions:

1.

Exterior

1. siding and trim:
 - a. fiber cement board lap siding on all exterior walls with the exception of:
 - fiber cement board shake shingle accents in all gable ends (including dormers)
 - b. Miratec (or similar water resistant textured material) trim (3" x 5/4" thick, fascia (4/4" thick) and standouts for hose bibs, exterior lighting, etc.
 - c. untextured fiber cement board soffit and venting to code
 - d. siding / trim to be painted on-site with three colors (base color, shingle accent color and trim color) and optional alternative color for exterior doors
2. exterior masonry:
 - a. stacked rock around great room entry door
 - b. stacked rock ‘columns’ at view side basement corners
 - c. stacked rock 42” up the wall on lower portion of view side basement wall with angled watertable cap rock
 - d. all stacked rock to be cultured stone
 - e. fieldstone (flat rock) on any other exposed above grade concrete
 - f. painted textured stucco on any other visible above grade concrete
3. 30 year warranty (minimum) architectural shingle roofing
4. gutters / downspouts to compliment house / roof color; no gutter covers
5. downspouts to feed into drainage system to direct water away from house
6. garage doors and exterior doors painted to compliment house / roof color
7. rear deck (____ sqft) as follows:
 - a. pressure-treated undercarriage
 - b. 5/4 x 6" wide pressure treated decking screwed to undercarriage
 - c. pressure treated rail system with 3/4” powder coated aluminum balusters (painted black)
 - d. pressure treated rail system including 2x2 pickets
 - e. copper post caps (12 units)
8. front covered porch (____ sqft) as follows:
 - a. pressure-treated undercarriage
 - b. 5/4 x 6" wide pressure treated decking screwed to undercarriage
 - c. pressure treated rail system with 3/4” powder coated aluminum balusters (painted black)
 - d. stained tongue and groove ceiling – 4” bead spacing
 - e. painted beadboard ceiling
9. deck stairs to include 2x12” beauty band and riser front
10. pre-braced open deck area off corner of master bedroom to accommodate future hot tub

Options:

- metal roof – add \$ _____
- ice dam protection (a 6' wide waterproof barrier on the north side eaves of the house) – add \$300; for product details, see <http://roofing.owenscorning.com/professional/accessories/ice-and-water-barrier/weatherlock-flex.aspx>
- rockwork not listed above – add
 - artificial rock (any) - \$14 per square foot
 - veneer rock (flat rock applied to vertical surfaces) - \$11 per square foot
- screened-in rear porch – add \$ _____
- composite decking (Trex or similar) – add \$ _____
- glass panels instead of conventional hand rail system – add \$300 per 8' section
- decks and stairs not listed above - add
 - \$13 per square foot of deck surface
 - \$48 per step
 - \$20 per linear foot of deck and stair rail

Notes/Questions:

1.

Interior

1. insulation in finished areas as follows:
 - R21 blown-in cellulose insulation in exterior framed walls and any interior framed walls that adjoin unfinished areas
 - R5 blown-in cellulose insulation in 2x2 framed cavity in all exterior concrete walls
 - R38 blown-in cellulose insulation in roof
 - no insulation in interior walls
2. insulation in unfinished areas as follows:
 - batt insulation as required by code in ceilings and in framed walls separating unfinished space from finished space
3. all window and door openings sealed with foam sealant
4. all walls and ceiling to be drywalled except for:
 - tongue and groove ceilings
 - beadboard ceilings
 - mechanical room ceiling (open)
 - unfinished basement areas
5. all drywall glued and screwed to studs
6. all drywall finished with light knockdown texture except as follows:
 - tape and flat finish of garage walls
 - firetape of partially finished basement area
7. paint as follows:
 - no paint on firetaped drywall areas
 - one coat of drywall primer on garage walls and ceiling

- all other areas painted with one coat of drywall primer on walls and one coat of white paint on ceiling; one coat of flat latex color on all walls; two wall paint colors
8. upgraded trim (1" x 4" base with bevel; 1 x 4" door and window trim with dog-eared top piece, and window sills) except as follows:
 - garage to receive white painted utility trim
 - no trim in partially finished or unfinished basement
 9. 3/4" tongue and groove wood ceiling with 4" bead spacing in great room, master bedroom and master bathroom
 10. painted beadboard ceilings (with OSB underlayment for rigidity) in kitchen, dining room and master bedroom
 11. stairs and loft railings to be combination pine posts and rails and wrought iron balusters (combination of single basket, double basket and twist)
 12. stairs and loft railings to be standard pine posts, rails and pickets
 13. stairs and loft railings to have enhanced trim package
 14. all woodwork (including baseboard, window and door trim, interior side of any wood windows, interior muntins, railing systems, exposed beams, collar ties and tongue and groove ceiling and paneling) to be stained and finished with lacquer

Options:

- paint wall vents and stair lights to match wall color – add \$100 per color

Notes/Questions:

- 1.

Flooring

1. unfinished garage floor
2. attic crawl space to have several sheets of plywood
3. epoxy paint on garage floor
4. epoxy paint on mechanical room floor
5. tile floor in all bathrooms and laundry room; material allowance (including tile, accent pieces, bullnose and grout) = \$_____ (approx. \$___ per square foot)
6. wood floor throughout the rest of the main floor; material allowance = \$_____ (approximately \$___ per square foot)
7. note on wood floor installation – if the width of the individual planks chosen for the floor is less than 3", add \$0.50 per square foot
8. carpet in all other areas of basement and 2nd floor and on both sets of stairs; material allowance (including pad) = \$_____ (approximately \$___ per square yard)

Note: all allowances include tax and delivery

Options:

- for tile patterns and diagonal installation – add \$1 per square foot

- for natural stone (travertine, tumbled marble, slate) tile – add \$2 per square foot (natural stone requires more sorting time, cutting time [each piece must be cut with a tile saw] and all natural stone must be sealed)

Notes/Questions:

1.

Doors

1. standard hardware (knobs or handles) with matching hinges and doorstops
2. interior doors to have privacy locks on all bedrooms and bathrooms and passage locks elsewhere
3. exterior doors to have standard one side keyed deadbolt
4. front entrance door to have upgraded handle set
5. solid 6-panel pine interior doors with stain and finish to match trim
 - (8) standard doors
 - (5) bi-folds
 - (1) french
 - (4) pocket
6. exterior door summary:
 - (2) 6-panel solid steel
 - (1) ¾-lite decorate oval textured fiberglass with matching sidelights
 - (1) half-lite rectangular 9-lite textured fiberglass
 - (2) full-lite rectangular blinds between the glass smooth fiberglass
 - (2) full-lite rectangular textured fiberglass french doors
 - (1) standard 2 car 16' x 7' insulated garage door with row of glass panels

Options:

- door screens – Customer may provide and Builder will install at \$100 per door
- additional doors = cost of door plus \$250 (framing, hanging, trim material, trim labor, paint/stain of trim, paint/stain of door and door hardware)

Notes/Questions:

1.

Windows

1. operable windows to be Atrium brand premium vinyl (Energy Star designated with Low-E coating and argon gas insulation); no grids or shutters; all to have lift out screens
 - (1) awning
 - (6) single hung (lower level)
 - (2) twin single hung (lower level)
 - (5) double hung (upper level)

- (2) casements
 - (2) double casements
 - (1) slider
2. fixed windows (14 units) to be made locally to fit specifications with exception of bay window fixed panels which need to match flanking operable windows; windows to have Low-E coating and bronze tinting
 3. (2) sky lights in master closet
 4. (1) solar tube in upstairs guest bathroom
 5. (1) window well for basement bedroom egress window

Options:

- tinting of fixed windows – add \$_____
- additional windows = cost of window plus \$150 (framing, installing, trim material, trim labor and paint/stain of trim)

Notes/Questions:

- 1.

Kitchen

1. knotty pine cabinets with the following features (final layout to be determined):
 - full refrigerator depth cabinet above refrigerator
 - framed wall with drywall separating refrigerator from hallway
 - raised corner cabinet with glass front
 - pull out trash can with mechanism attached to cabinet door
 - lazy susan in lower corner cabinet
 - full-extension drawer glides on all drawers
 - range hood with venting to exterior
 - valance over sink
2. kitchen cabinetry allowance = \$_____ (including knobs, pulls, range hood and installation)
3. granite countertops with 4” granite backsplash except for behind range and sink where this should go all the way up to either the cabinet or window above; material allowance = \$_____ (approx. \$_____ per foot)
4. appliances (including range, oven, microwave, dishwasher, garbage disposal, refrigerator, washer, dryer) to be selected and paid for by Customer separate from this project; Customer will also pay for delivery costs; typically installation is part of the service provided by the appliance supplier – if Builder has to install; Builder will add \$25 per appliance to cover the cost of installation

Notes/Questions:

1. I left in a few of the kitchen options that I thought would look nice or add functionality. if you don't want these please let me know. this is really just a starting point for pricing purposes. you'll have full control over the layout and options when the time comes

Bathrooms and Laundry Room

Powder Room

- 1. 30” vanity with standard grade (oak, maple) stained cabinets; vanity to be comfort height (36”); allowance = \$ _____ (allowance includes cultured marble countertop)
- 2. granite counter with 4” backsplash; material allowance = \$ _____ (approx. \$ ____ per foot); includes sink provided by countertop company
- 3. cultured marble countertop with integrated sink and 4” backsplash; countertop included in cabinetry allowance above
- 4. single undermount sink
- 5. pedestal sink
- 6. elongated 1.6 gpm or lower toilet
- 7. Customer to provide mirror and bathroom accessories and Builder to install

Master Bath

- 1. 60” vanity with standard grade (oak, maple) stained cabinets; vanity to be comfort height (36”); allowance = \$ _____ (allowance includes cultured marble countertop)
- 2. granite countertop with 4” granite backsplash; material allowance = \$ _____ (approx. \$ ____ per foot); includes sink provided by countertop company
- 3. cultured marble countertop with integrated dual sink and 4” backsplash; countertop included in cabinetry allowance above
- 4. dual undermount sinks
- 5. 60” x 36” rectangular jetted tub with tile surround (motor access _____)
- 6. oversized tile shower with glass door framed to match plumbing fixtures, bench and built-in soap and shampoo platforms; tile to extend to _____
- 7. tub and shower tile material allowance (including tile, accent pieces, bullnose, grout, and surface mounted soap and shampoo platforms) = \$ _____ (approx. ____ sq feet x \$4 per sq foot)
- 8. elongated 1.6 gpm or lower toilet
- 9. Customer to provide mirror and bathroom accessories and Builder to install

Guest Baths

- 1. 42” vanity with standard grade (oak, maple) stained cabinets; vanity to be comfort height (36”); allowance = \$ _____ (allowance includes cultured marble countertop)
- 2. granite countertop with 4” granite backsplash; material allowance = \$ _____ (approx. \$ ____ per foot); includes sink provided by countertop company
- 3. cultured marble countertops with integrated sink and 4” backsplash; countertop included in cabinetry allowance above
- 4. single undermount sink
- 5. 60” x 36” one piece fiberglass tub/shower combination with simulated tile surround
- 6. 60” x 36” drop-in tub with tile shower surround to 7’ high
- 7. no door on tub/shower

- 8. tiled shower in with tile ¾ of the way to the ceiling and glass door with frame to match plumbing fixtures; no tub
- 9. tub and shower tile material allowance (including tile, accent pieces, bullnose, grout, and surface mounted soap and shampoo platforms) = \$ _____ (approx. _____ sq feet x \$4 per sq foot)
- 10. elongated 1.6 gpm or lower toilet
- 11. full width mirror
- 12. Customer to provide bathroom accessories and Builder to install

Basement Bath

- 1. stubbed for pedestal sink, shower and toilet

Laundry Room

- 1. 36” laundry tub cabinet base with formica top; countertop allowance = \$ _____
- 2. 60” cabinets over washer/dryer
- 3. laundry room cabinetry allowance = \$ _____

Options:

- for tile patterns and diagonal installation – add \$1 per square foot
- for natural stone (travertine, tumbled marble, slate) tile – add \$2 per square foot (natural stone requires more sorting time, cutting time [each piece must be cut with a tile saw] and all natural stone must be sealed)
- for built-in niches in tiled showers - add \$100
- for benches in tiled showers – add \$200
- upgrade powder room countertop to granite – add \$ _____
- upgrade master bath countertop to granite – add \$ _____

Notes/Questions:

- 1.

Built-Ins and Shelving

Built-Ins

- 1. stereo cabinet in great room – location/design to be determined
- 2. bay window seat (to be hinged and open to storage below)
- 3. lower pullout drawer base for washer / dryer
- 4. bookcases (36” x 7’ tall) with doors on base cabinet and shelving above flanking fireplace
- 5. built-in cabinetry allowance = \$ _____
- 6. built-in countertop allowance = \$ _____

Shelving

- 1. closet shelving to be pine and stained / finished to match trim; no wire shelving
- 2. open shelving in 2nd floor linen closet
- 3. linen shelving in master closet

- 4. rod and shelf in 2nd floor bedroom closet
- 5. rod and shelf in mud room coat closet
- 6. pantry shelving (5 units x 18” deep)

Notes/Questions:

- 1.

Plumbing

- 1. tankless hot water heater
- 2. electric hot water heater with cutoff switch in laundry room
- 3. pre-plumb for water softener in case needed in the future
- 4. floor drain in mechanical room
- 5. two outside frost proof hose bibs
- 6. exterior hose bibs to be on separate shutoff
- 7. pre-plumb for future wet bar in rec room (directly behind bathroom)
- 8. pre-plumb for future bathroom in basement (toilet, vanity, shower)
- 9. pre-plumb for sink in future outside kitchen area
- 10. kitchen sink water purifier hookup
- 11. additional plumbing = \$150 per drop
 - a hosebib = 1 leg
 - an additional showerhead in an existing shower = 1 drop
 - a fixture with a drain = 2 drops

Tub and Shower Allowance - \$_____ (approx. item costs below)

- (1) jetted tub - \$850
- (1) drop-in tub / shower combination - \$600
- (2) tubs - \$800

Plumbing Fixture Allowance - \$_____ (approx. item costs below)

- (4) toilets (elongated) - \$800
- (2) bathroom sinks - \$200 (cultured marble tops have integrated sinks)
- (1) powder room pedestal sink - \$200
- (5) bathroom faucets - \$750
- (2) shower faucets - \$400
- (1) full-body shower system - \$1,250
- (1) roman/tub faucet - \$350
- (1) kitchen sink (cast iron or acrylic undermount) - \$500
- (1) kitchen sink (stainless) - \$300
- (1) kitchen sink (farmhouse/apron front) - \$1,000
- (1) kitchen faucet - \$300
- (1) prep sink (stainless undermount) - \$150
- (1) prep sink faucet - \$150
- (1) laundry tub - \$100
- (1) laundry tub faucet - \$100
- (1) garbage disposal - \$150 (note: septic systems are sensitive to the types of waste entering the system and while using a disposal is

acceptable, it is important to be educated on its affect on your septic system as well as on the proper care and maintenance of the system)

Notes/Questions:

1.

Electrical

1. minimum 200 amp electrical service
2. four external electrical outlets
3. transfer switch for portable generator; Customer to provide list of circuits that will run from generator
4. speaker wiring at 4 external locations on deck and run to central location in home
5. pre-wire for 5.1 or 7.1 media in great room with rear speakers, sub-woofer and TV mounted over fireplace; run wires to central location to be determined
6. neither the cost of nor the installation of any audio / video equipment (including but not limited to speakers, components, volume controls, remote sensing or termination units, mounting brackets, racks, etc) is included
7. (1) floor outlet in concrete slab in basement
8. (1) floor outlet in great room floor
9. one phone jack
10. one television drop in each bedroom and in great room
11. switched outlets in all bedrooms
12. wall outlets to code
13. additional wiring = \$50 per leg
 - an outlet = 1 leg
 - a light with a switch = 2 legs
 - a light added on an existing switch = 1 leg
 - a phone jack = 1 leg
 - an additional TV location = 2 legs (since we bring to wires to each location)
 - speaker drop = 1 leg per speaker
 - speaker drop with intermediate volume control = 2 legs
14. standard toggle switches with the exception of dimmer switches in key areas
15. standard switch and outlet cover plates
16. pre-wiring of hot tub sub-panel (does not include labor or material to connect to hot tub and does not include breaker in electrical panel as breaker size varies by hot tub manufacturer/model)
17. pre-wiring for fireplace blowers
18. pre-wiring for whirlpool tub heater
19. pre-wiring for wet bar fridge
20. pre-wiring for flat screen TV above great room fireplace – including extension of wiring to remote location of audio/video components
21. pre-wiring for television outlets, phone outlets and satellite dish
22. pre-wiring for satellite internet to central wireless router location

- 23. termination of phone lines and telephone punch block in mechanical room
- 24. all tv and phone drops run to central location in the mechanical room

Lighting and Fans Allowance - \$ _____ total (approx. item costs below):

- (1) dining room light - \$250
- (1) foyer hanging light - \$150
- (1) kitchen island hanging 3 light fixture - \$150
- (3) kitchen pendant lights over barstool area = \$300
- (5) bathroom vanity lights - \$500
- (2) bathroom ceiling lights (master bath and guest bath) - \$100
- (5) interior fans with light kits and light/fan on separate switch (1 master bedroom, 2 guest bedrooms, 1 great room) - \$750
- (2) exterior fans under covered porch - \$400
- (2) sconces (stairs between 1st and 2nd floor) - \$150
- (2) spot lights (over great room fireplace) - \$100
- (5) exterior wall mounted lights (2 either side of garage door, 2 either side of great room entry door, 1 with motion sensor next to kitchen entry door) - \$250
- (1) doorbell/chime - \$100

Builder Provided Lighting - These items will not be part of the allowance:

- (2) flood lights with motion sensor
- (4) flood lights without motion sensors
- (4) utility/closet lights (master closet, guest closet, guest closet, pantry) – finish to match door knobs/hinges
- (2) undercabinet lights in kitchen
- (1) over sink light in kitchen
- above cabinet accent lighting in kitchen
- (8) recessed can lights in basement (2 exercise room, 4 office, 2 laundry, 2 on stairs to main) – white trim kit
- (10) recessed can lights on 1st floor (4 hallway, 6 kitchen)
- (3) recessed can lights on 2nd floor (hallway)
- (2) recessed spot lights (over basement fireplace)
- (4) shower recessed can lights (2 master shower, 2 guest shower)
- (1) bare bulb (mechanical room)
- (2) vents (powder room, master bathroom)
- (2) combo heat / vent / light units (guest bathrooms)
- (2) long fluorescents (garage)
- (4) short fluorescents (mud room closet, 2 upstairs bedroom closet, under stairs closet in basement)
- (1) garage door opener
- receptacle in center of rec room area for future pool table light
- smoke detectors as required by code
- carbon monoxide detectors (1 per floor)
- all can trim kits to be white with exception of trim kits on wood ceilings; these will be _____ to match the _____

- all cans to be insulation contact
- all incandescent and fluorescent bulbs

Options:

- electric radiant floor heat in master bathroom (not including closet) – add \$_____
- pre-wire for alarm system (up to 12 devices) - \$500

Notes/Questions:

- 1.

HVAC and Utilities

1. full contained mechanical room with gas hookups, water shutoff, telecommunication hookups, satellite distribution, electrical panel, HVAC and water heater
2. electric heat pump – single unit with variable speed air handler and 3 zones (one for each floor); minimum 13 SEER
3. energy recovery ventilator for bringing fresh air into house
4. HVAC allowance (including ventilator) = \$_____
5. venting to exterior:
 - a. dryer vent (including recessed dryer vent box)
 - b. range vent to exterior
 - c. bathroom vents

Options:

- geothermal HVAC system – add approximately \$_____ additional cost
- whole house humidifier attached to HVAC system – add \$_____
- enhanced HVAC air filter (replaceable 5” media filter) – add \$_____
- air purifier (electrostatic with serviceable filter) – add \$_____
- upgraded floor registers (brushed nickel / oil rubbed bronze) – add \$300

Notes/Questions:

- 1.

Fireplaces

1. master bedroom fireplace – gas burning corner fireplace; vented directly through outside wall; sheetrock front, wood trim and oversized wood top
2. great room fireplace – gas burning fireplace; vented through roof with no chimney; full height artificial stacked rock masonry with hearth and mantle; top of firebox opening to be arched with keystone and voussoirs on either side of the keystone; hidden wiring and installation of Customer provided support brackets for future flat screen TV
3. fireplace allowance (allowance covers all costs except installation – including firebox, inserts, face/face kit, log set, andirons, starter, blower, auxiliary blower, remote, thermostat, conversion to propane, all piping, termination caps and wood mantles) = \$_____

4. fireplace masonry allowance (allowance includes cost of all materials and installation of fireplace rockwork, hearth and mantle) = \$____; including cost of wood mantle, arched firebox opening and recessed area for TV

Notes/Questions:

1.

Gas Piping

1. installation of propane manifold in mechanical room with a stub out to exterior of home (for future connection to tank) and distribution to the following areas (with shutoffs at each location):
 - laundry room for dryer
 - tankless hot water heater
 - kitchen stove
 - two fireplaces
 - grill on deck
2. additional gas locations are \$300 per drop
3. Customer to contract with local propane supplier to purchase or lease propane tank and arrange for gas delivery contract; Builder to bury propane if delivered prior to final grading; Customer to arrange for hookup of propane tank to house and startup of fireplaces subsequent to occupancy

Notes/Questions:

1.

Job Costs (included in estimate)

1. applicable building permits (excluding well and septic permits, if applicable)
2. temporary electrical hookup from transformer if transformer is within 250 feet of house; Customer is responsible for costs of bringing transformer to within 250 feet of house (this is not included because it customarily provided by the developer)
3. temporary electricity usage while house is under construction as well as permanent electrical hookup

Note: at start of project, Customer agrees to set up an account with the local power company in Customer's name and will receive and pay bills each month (including cost for permanent power hookup); at end of project and upon receipt of bill copies, Builder will deduct these costs from amounts owed by Customer
4. job toilet during duration of project
5. cleanup of job site and inside of home prior to occupancy
6. builder's risk insurance (covering the value of the unfinished house - \$5,000 deductible)
7. general liability insurance and worker's compensation insurance for Builder, Builder's employees and Builder' sub-contractors

Proposal Excludes

These are the responsibility of the Customer and are not included in the proposal.

1. design costs related to final revisions of house plans / elevations
2. financing costs associated with construction or permanent loans
3. liability insurance protecting Customer (Builder has general liability policy that covers Builder and sub-contractors – see the Insurance section below for more information on this subject)
4. worker's compensation insurance on behalf of uninsured subcontractors paid directly by Customer
5. builder's risk insurance – Customer to buy directly
6. homeowner’s association design review fees or design compliance deposits
7. survey costs, if needed, to accurately locate property lines
8. engineering costs if required by local building department
9. cost of the on-site well and pump
10. additional costs of septic system if, when permit is obtained, the system is not a standard conventional system
11. fees associated with connection to community water system
12. appliances (including range, oven, microwave, dishwasher, refrigerator, garbage disposal, washer, dryer) – Customer will purchase separately (and pay for cost of delivery) and Builder will facilitate delivery and if installation is performed by Builder, Builder will charge \$25 per appliance
13. propane tank and hookup of propane tank to house
14. telephone hookup
15. satellite dish (television and/or DSL) and hookup
16. neither the cost of nor the installation of any audio / video equipment (including but not limited to speakers, components, volume controls, remote sensing or termination units, mounting brackets, racks, etc)
17. mailbox
18. bathroom accessories (towel bars, toilet paper holders) – Customer will purchase separately and provide for Builder to install
19. master bath mirrors (2) and powder room mirror – Customer will purchase separately and provide for Builder to install
20. brackets for mounting possible over fireplace TV
21. deck stain (not recommended until pressure treated lumber has dried – approximately 9 to 12 months)
22. labor or material to connect hot tub pre-wiring to actual hot tub
23. breaker in electrical panel for hot tub as breaker size varies by hot tub manufacturer/model
24. additional underbrushing and tree removal as requested by Customer
25. additional construction costs as a direct result of building code changes made subsequent to the signing of this document
26. any additional expenses incurred due to any unexpected or unforeseen site conditions including but not limited to:

- a. additional excavation expenses incurred due to any condition below the surface of the ground presenting unusual problems (such as undiggable rock / shale or the presence of springs / other water sources)
 - b. additional costs if radon gas is discovered on site
 - c. additional cost for water filtration, if needed or desired
27. any additional expenses incurred due to force majeure (extraordinary events or circumstances beyond the control of Builder such as war, crime or “Acts of God” including but not limited to earthquake, floods, lightning, landslides, etc.)

Allowance Recap

- 1. per schedule concrete retaining walls
- 2. \$ _____ landscaping
- 3. \$ _____ interior doors
- 4. \$ _____ exterior doors
- 5. \$ _____ windows
- 6. \$ _____ door hardware
- 7. \$ _____ appliances
- 8. \$ _____ cabinetry, including:
 - a. \$ _____ kitchen
 - b. \$ _____ master bath
 - c. \$ _____ guest baths
 - d. \$ _____ powder room
 - e. \$ _____ laundry room
 - f. \$ _____ built-ins
- 9. \$ _____ countertops, including:
 - a. \$ _____ kitchen
 - b. \$ _____ master bath
 - c. \$ _____ guest baths
 - d. \$ _____ powder room
 - e. \$ _____ laundry room
 - f. \$ _____ built-ins
- 10. \$ _____ bathroom accessories
- 11. \$ _____ bathroom mirrors
- 12. \$ _____ tile and grout, including:
 - a. \$ _____ flooring
 - b. \$ _____ kitchen backsplash
 - c. \$ _____ master bath tub and shower
 - d. \$ _____ guest baths tub and shower
- 13. \$ _____ wood flooring
- 14. \$ _____ carpet
- 15. \$ _____ plumbing fixtures (excluding tubs/showers)
- 16. \$ _____ tubs/showers
- 17. \$ _____ lights and fans (exclusive of Builder provided items)
- 18. \$ _____ fireplaces
- 19. \$ _____ fireplace masonry

Note: all allowances include tax and delivery

Warranty, Insurance and Change Order Policies

Please note the following Berg Mountain Home policies:

Warranty – all Berg Mountain Homes come with an 18 month warranty.

Insurance – Berg Mountain Homes carries both general liability and workers compensation insurance. If one of our sub-contractors is uninsured for either general liability or workers compensation, Berg Mountain Homes will provide that insurance on behalf of the uninsured subcontractor. However, this insurance does not replace the Customer’s need for their own coverage. We recommend that you check with your insurance agent to make sure you are aware of your options.

Changes – Any Change Order that results in additional project costs and whose cost is not otherwise specified in this proposal will be billed to Customer at actual cost plus 15%. Excluded from this 15% charge are any overages on material allowance items such as lighting fixtures, plumbing fixtures, etc.

Change Order Administrative Fees – The first twenty (20) changes are included in the price of the home below. After the first twenty (20) changes, each additional Change Order will result in a \$50 administrative fee.

Copies of Berg Mountain Homes documents (including the Construction Agreement and Warranty) can be found on the [Berg Mountain Home web site](#).

Proposal

Berg Mountain Homes proposes to build the home described above for an all inclusive price of \$_____. This price includes all Berg Mountain Home fees - including design, project management, accounting, reporting, construction scheduling, supervision, and quality assurance.

The only changes to the price you will pay for your home could be as follows:

1. Changes made to the project scope subsequent to the signing of this document.
2. Differences between the Allowances outlined above and the actual price of those items.

The next step in the building process is to agree to this proposal (including any changes we’ve noted during our discussion of this document) and subsequently to sign the Construction Agreement (which references this document as an attachment).

Customer (sign and date) _____

Customer (sign and date) _____

Builder (sign and date) _____