



942 Preakness Dr.
Eagle, ID 83616

Idaho Registered Contractor RCE-23530

email- joe@joeprin.com

208-573-1082

TO: SAMPLE CUSTOMER

Thank you for inviting us to look at your project. As per your descriptions, our conversations, and/or discussions in your home, the following project summary and cost projection are what we are providing prices on at this time and the items that Joe Prin Remodeling (JPR) will address should you choose to hire us to be your contractor.

Prior to getting into the specifics of your project, we must ask you to read all of the following information. IT IS TO YOUR ADVANTAGE to read this material so that a full understanding of your job and what you are paying for is communicated.

It is our business philosophy to provide you the customer with the highest quality of service and product at a price that is fair to both of us. We hope to earn your trust and satisfaction. We also look forward to you referring us on to your friends and associates for work they may need to have done.

This may sound strange to read but JPR is in business to make a profit. By being a profitable company, should you need us again, or to back up our work with our warranty, we will be there for you. Without making a profit, we soon would be gone like so many contractors before us.

JPR is fully insured for your protection with liability and workers compensation insurance. Our Certificates of Insurance are available to you on request.

The following is how we calculate the time and materials for your job.

TIME- Included in your invoices will be charges for the following:

- **Actual time** (direct labor) spent on the job of demolition, building, setting up and putting away tools and cleaning the work site each day. We try to stay on the job in as many consecutive days as possible to eliminate wasted set up and take down time. Leaving some items on the job site overnight helps to off set the time spent setting up the next day. Your cooperation and security with this will help to keep your cost down.

- **Time starts** when we arrive at your home and ends when we leave. Lunches, breaks, and time away from the job during the day for other customers are not billed to you. Time spent in discussions and review with subcontractors and others involved in your job are considered billable hours.

- **Travel time** to and from your job is not billed to you in direct hours unless your job is outside our normal work area of Boise and Eagle. Outside these areas, you will be billed for the time and mileage (.45 / mile) spent from our closest normal work area.

- **Administrative expenses and Office time.** Built into your job pricing are hours for offsite office time and administrative expenses. In addition to the planning, coordination, and preparations that are done for any type of work or project size, there are also expenses for vehicles, communications, office supply, insurance, certifications and registrations, and bookkeeping. The amount of allocation for your job is dependent on the scope and detail of the work involved. Usually, this is billed as a line item on your cost proposal as Administrative and off site work, and usually at 15% of the total job.

- **Extras or Delays.** In your pricing, we have tried our best to determine how many times we will be working in your home on individual days. Should there be delays or job stoppages caused by you the customer, you should expect to have additional charges due to the need to reschedule labor and set up equipment. If additional work is requested, additional charges will be communicated to you via a Change Order. If you help work on your project, it will be critical for you to stay on the calendar assignments.

- **Estimates.** Time spent on estimating this project is built into your pricing. If you choose not to hire us, you will not be charged for this estimate. Drawings, shop drawings, renderings, sketches, descriptive copy, product literature and material / cost lists are the property of JPR unless you hire us. If you wish to acquire the creative and technical work done on your project from JPR, without hiring JPR, you may do so. A charge will be issued for the time involved.

- **Hourly Rates-** Used in the calculation of your pricing, and dependent on the expertise and skills needed for individual segments of your job, direct labor is charged out between \$55 and \$75 per hour.

MATERIALS-

-**In your bill** will be charges for materials that we have purchased to complete your project. These material charges will also include common items that we use from our inventory and stock that travels with us. Such items are nails, screws, glues, caulking, stains, and consumable items like plastics, tape, sand paper, and drill bits. We do not include the time it takes to select, pick up, and deliver materials to your job site in your pricing under TIME as often we combine trips for maximum efficiency. However, we do charge for our selection expertise and this purchasing service with a mark up of between 15% and 35% on top of the actual material costs.

- **You can save money** by picking up, paying for, and delivering materials to your job. We will be happy to provide you with suggestions on where to shop, material lists, or supplier contacts. The more you do, the more you can save. Before you decide on an item outside of a list we prepare, please consult with us to make sure it is appropriate, code approved, or suitable for your job.

- **Direct Payments.** If you choose, many of the suppliers and subcontractors of JPR will accept direct payments from you, the customer, for their invoices. For example, Plumbing. When the Plumber submits his billing to JPR, again if you choose to, JPR will provide you with his actual invoice and you can make payment direct to the Plumbing Company. This saves you about 5% in mark up charges and office bookkeeping fees. These payments must be made to the vendor within 5 days of invoice presentation. You do not have to do this, and payments can be consolidated on your weekly invoice from JPR if writing multiple checks will be a problem for you or your banking system.

- **Permits.** Building permits (if needed) are billed out as materials at their actual cost. The time spent acquiring the permits are billed out as Off Site labor.

CHANGE ORDERS -**The most costly thing** that can happen to you is to make significant changes once the work has begun. Sometimes this is unavoidable and we understand and will do our best to work with

the changes. If there are however, material changes, returns, new purchases, scheduling adjustments, cancellations, or special ordered materials, you should expect to be billed for the added time and materials needed to execute the change. Careful planning and a commitment to the plan are the best strategies to keep the costs down. All changes will be discussed with you as to their financial impact on the project. In most cases, a written change order will be provided for signature.

Cautionary Note- Pricing out a remodeling or repair job is nothing more than well informed, experience based, educated, professional guesswork. There is often no practical way to know what is behind walls, under floors, and what quality of work has been done by others in times past. The pricing we have provided here has been prepared in good faith but is by no means final. Therefore, while we fully intend to complete the desired work at the prices provided, the actual cost of your job could change. Should this occur, we will fully disclose and discuss with you the options available and their associated additional costs. Likewise, it is not uncommon for good things to happen when we have accounted for worse. In this event, we reduce our billing by the appropriate amount of savings you have realized.

WARRANTY- JPR guarantees its workmanship and installations and that of any and all of its subcontractors for a period of one full calendar year following substantial project completion.

We cannot and will not be your agent in claims arising from the failure of any materials or products that you have purchased and supplied to the job yourself. You will be responsible for handling warranty claims on materials, supplies, products, appliances, fixtures and the like, that you supply to the job. Please keep all of your receipts and documentation on these items.

ACCEPTANCE and PAYMENTS-

A deposit may be required on larger projects to secure schedule time well in advance of the start of work and/or for material or subcontractor prepayments. This amount will be listed as "Project Deposit" on the cost sheet(s) of this document if appropriate. Deposits are not refundable should project be canceled at any time after deposit is paid.

With your signature or by allowing us to begin work, you have accepted the terms and explanations of this agreement. You authorize us to order materials, schedule subcontractors, and make purchases on behalf of your project.

Special Order items and large amounts of materials (over \$750) must be paid for in advance and may be included in the deposit. Invoices from JPR for materials and labor will be issued weekly (usually Fridays), or at the end of the project if its duration is less than one week. Payment is expected at that time (or at the latest, on the following Monday).

Should you terminate this agreement, for any reason, prior to job completion, all work finished or in progress, expenses accrued, full administrative and overhead charges, materials and their associated mark ups purchased or ordered, along with a 10% of job penalty (\$150 minimum), will become due for payment on presentation of your final invoice.

Special Notations:



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TO: SAMPLE CUSTOMER

PROJECT SUMMARY / DESCRIPTION- Garage cabinets

Joe Prin Remodeling (JPR) is to have made and install a new bank of cabinets in the garage. Cabinets to be similar to the existing cabinets in the garage. Please see attached drawings for dimensions and layout. Cabinets to be manufactured by Western Idaho Cabinets. Cabinets will measure 99 inches left to right and will begin about 16" from the right side of the house walk door and will continue down the east wall.

Materials purchased	
Cabinets and installation supplies	\$1734
JPR- Labor , project supervision and coordination	\$270
	Total \$2004

Note: Only the work described above is included in the cost projections for this job. Any other work added to the above work summary will be invoiced as a change order at material costs +25% and at a labor rate of \$75 per hour.

Scheduled Installation Date To Be Determined, about 2 weeks after order approval.

Submitted for approval _____ Joe Prin, JPR LLC. X-X-2012

Customer Approval and Acceptance _____ Date _____

Before Using Our Three Day Right of Rescission Form, You Should Know These Facts: Under U.S. federal law, Contractors doing home improvements for homeowners must give the owners 3 business days to back out of the deal (what we call a 3 day right to rescind or 3 day right to cancel)... if the conditions below are met: 1. The cost of home improvement is \$25 or more or is to be financed by a creditor (a lender) 2. The owner (directly or indirectly) grants the creditor a security interest in the home, e.g. Mechanic's Lien 3. The home to be worked on is the owner's principal dwelling (main home).

Notice of Right to Cancel

Date: _____ (Should be the same as on the Customer Approval and Acceptance line above)

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 TEN BUSINESS DAYS following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be canceled.

If you cancel, you must make available to the seller, at your residence, in substantially as good condition as when received by you, 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 of cancellation, you may retain or dispose of the goods without any further obligation.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice, or any other written notice to:

Joe Prin Remodeling, 942 Preakness Dr. Eagle, ID 83616

NO LATER THAN MIDNIGHT OF _____ (Date)

I HEREBY CANCEL THIS TRANSACTION.

Buyer's Signature: _____ Date: _____

FOR YOUR INFORMATION. Please read and sign at bottom and return to Joe Prin Remodeling. The following is from Idaho Code and failure for a Contractor to provide the following is a violation of the Idaho Consumer Protection Act (IC# 54-5215(2)(B)):

*TITLE 45 LIENS, MORTGAGES AND PLEDGES CHAPTER 5
LIENS OF MECHANICS AND MATERIALMEN*

Idaho Code 45-525. General contractors -- Residential property -- Disclosures. (1) Legislative intent. This section is intended to protect owners and purchasers of residential real property by requiring that general contractors provide adequate disclosure of potential liens.

(2) General contractor information. Prior to entering into any contract in an amount exceeding two thousand dollars (\$2,000) with a homeowner or residential real property purchaser to construct, alter or repair any improvements on residential real property, or with a residential real property purchaser for the purchase and sale of newly constructed property, the general contractor shall provide to the homeowner a disclosure statement setting forth the information specified in this subsection. The statement shall contain an acknowledgment of receipt to be executed by the homeowner or residential real property purchaser. The general contractor shall retain proof of receipt and shall provide a copy to the homeowner or residential real property purchaser. The disclosure shall include the following:

(a) The homeowner or residential real property purchaser shall have the right at the reasonable expense of the homeowner or residential real property purchaser to require that the general contractor obtain lien waivers from any subcontractors providing services or materials to the general contractor;

(b) The homeowner or residential real property purchaser shall have the right to receive from the general contractor proof that the general contractor has a general liability insurance policy including completed operations in effect and proof that the general contractor has worker's compensation insurance for his employees as required by Idaho law;

(c) The homeowner or residential real property purchaser shall be informed of the opportunity to purchase an extended policy of title insurance covering certain unfiled or unrecorded liens; and

(d) The homeowner or residential real property purchaser shall have the right to require, at the homeowner's or residential real property purchaser's expense, a surety bond in an amount up to the value of the construction project.

(3) Subcontractor, materialmen and rental equipment information.

(a) A general contractor shall provide to a prospective residential real property purchaser or homeowner a written disclosure statement, which shall be signed by the general contractor listing the business names, addresses and telephone numbers of all subcontractors, materialmen and rental equipment providers having a direct contractual relationship with the general contractor and who have supplied materials or performed work on the residential property of a value in excess of five hundred dollars (\$500). A general contractor is not required under this subsection to disclose subcontractors, materialmen or rental equipment providers not directly hired by or directly working for the general contractor. Such information shall be provided within a reasonable time prior to:

(i) The closing on any purchase and sales agreement with a prospective residential real property purchaser; or

(ii) The final payment to the general contractor by a homeowner or residential real property purchaser for construction, alteration, or repair of any improvement of residential real property.

(b) All subcontractors, materialmen and rental equipment providers listed in the disclosure statement are authorized to disclose balances owed to the prospective real property purchasers or homeowners and to the agents of such purchasers or homeowners.

(c) The general contractor shall not be liable for any error, inaccuracy or omission of any information delivered pursuant to this section if the error, inaccuracy or omission was not within the personal knowledge of the general contractor.

(4) Failure to disclose. Failure to provide complete disclosures as required by this section to the homeowner or prospective residential real property purchaser shall constitute an unlawful and deceptive act or practice in trade or commerce under the provisions of the Idaho consumer protection act, [chapter 6, title 48](#), Idaho Code.

(5) Definitions. For purposes of this section:

(a) "General contractor" means a person who enters into an agreement in excess of two thousand dollars (\$2,000) with:

(i) A homeowner or prospective residential real property purchaser for the construction, alteration or repair of residential real property; or

(ii) A prospective residential real property purchaser for the purchase and sale of newly constructed property.

The term "general contractor" does not include subcontractors, materialmen or rental equipment providers who do not have a direct contractual relationship with the homeowner or residential real property purchaser.

(b) "Residential real property" shall include owner and nonowner occupied real property consisting of not less than one (1) nor more than four (4) dwelling units.

(6) This section shall not apply to instances in which a homeowner or the agent of the homeowner initiates the contact with the general contractor for purposes of providing repairs necessary to meet a bona fide emergency of the homeowner or to make necessary repairs to an electrical, plumbing or water system of the homeowner.



Do you wish to have Lien Releases provided for all subcontractors your project? (Compliance with section 45-525 Part 2a) If yes, each release is an additional \$15 charge to your quoted price.

YES _____ No _____

Would you like to receive from Joe Prin Remodeling LLC proof that we have in place a general liability insurance policy including completed operations in effect and proof that the general contractor has worker's compensation insurance for his employees as required by Idaho law? (Compliance with section 45-525 Part 2b) This is provided at no charge.

YES _____ NO _____

Would you like to purchase an extended policy of title insurance covering certain unfiled or unrecorded liens; and would you like to purchase a surety bond in an amount up to the value of the construction project? (Compliance with section 45-525 Part 2c and d) Price to be determined by project amount.

YES _____ NO _____

Name _____

Address _____

Date _____ Phone _____ email _____

