

**OCEANAIRE HOMEOWNERS ASSOCIATION
CONSTRUCTION-REMODELING AGREEMENT**

This Construction-Remodeling Agreement ("Agreement") is made pursuant to the CC&Rs by and between Oceanaire Homeowners Association ("Association") and _____ ("Owner") regarding Unit # _____. Owner is a member of the Association and wishes to make the following changes to his/her Unit:

_____ ("Project").

THE PARTIES AGREE as follows:

1. Work According to Approved Plans. Owner shall only make improvements or repairs, which exceed that described in the CC&Rs, Section 8.2, after receiving written approval by the Board. Owner shall not deviate at all for any reason from the plans approved by the Board except with prior written approval from the Board.
2. Building Permits. Prior to the commencement of construction, Owner shall obtain and post all applicable building permits from appropriate governmental agencies.
3. Damage/Performance Deposit. Owner shall provide the Association a damage/performance deposit of \$ _____ ("Deposit") prior to the commencement of the Project. This money shall be held by the Association until the Project is completed, inspected, and signed off by the Association. If there is no damage to the common areas, the Deposit will be fully refunded with thirty (30) days of sign-off by the Association. In no way does the Deposit restrict the amount of damages the Association may seek against Owner for Owner's violation of this Agreement or damage arising from the Project.
4. Liability for Damage. Owner agrees to assume full responsibility for any damage to common areas, or persons or property of others caused by Owner or Owner's subcontractors, agents, employees, or invitees. If the damage is not repaired in a timely manner, Owner agrees the Association has the right to make repairs and specially assess Owner for the cost of those repairs, or deduct the amount from the Deposit, and/or take legal action against Owner. If Owner fails or refuses to pay the special assessment, the Association shall have the right to lien Owner's property and/or utilize any other remedy provided for in this Agreement, in the CC&Rs or Bylaws.
5. Inspections. The Association shall have the right to periodically inspect the work to ensure compliance with the CC&Rs and Rules and Regulations. Owner agrees to allow inspections and understands that the Project will be halted if inspections are not allowed. Such inspections or lack of inspections by the Association do NOT relieve Owner from his duty to comply with plans approved by the Association, and all applicable building and fire codes. Owner has the affirmative duty to notify the Board prior to installing any final floor coverings so that the Board can inspect and approve that the underlayment complies with the CC&Rs.

6. Right to Stop Work. The Association has the right to stop any work that is: (i) in violation of this Agreement, (ii) creating a fire or safety hazard, or (iii) unreasonably interfering with activities in the common areas.
7. Compliance with Laws and Governing Documents. Notwithstanding any provision of this Agreement, (a) it is the Owner and not the Association who must ensure that the final product meets all applicable laws and regulations, is free of defects, and does not unreasonably disturb the quiet enjoyment of other members of the Association, and (b) the Owner must comply with all provisions of the Association's CC&Rs and other Governing Documents.
8. Work Location. All work must be done inside Owner's unit. Workmen cannot set up equipment in the Association's hallways, lobbies, or garages. All unloading of materials shall be done from the street on Alta Avenue. Materials shall be delivered through the G-2 garage only. Stairwells may not be used without prior permission from the Building Manager. No delivery of furniture, appliances, or equipment will be permitted outside of work hours or on Sunday or national holidays.
9. Equipment and Material Storage. Equipment and material cannot be stored in common area hallways, lobbies, balconies, or garages. All equipment and material must be stored inside Owner's unit until taken off site. Workmen are prohibited from using common area electrical outlets to power their equipment.
10. Common Area Floors. All common area floors must be protected with masonite or plywood (taped at the edges), or other material approved by the Board, from the elevators and/or stairwells to the Unit whenever equipment or material is being delivered to the Unit. The protective coverings must be removed and the floor cleaned by 5:00 p.m. EACH DAY.
11. Elevators. Only the freight elevator may be used for transporting workers, equipment, and materials related to the construction-remodeling. The freight elevator must be padded at all times. Owner shall be responsible for advanced notification to the Building Manager so that elevator padding can be installed at the beginning of each workday and removed at the end of each workday. If the ceiling in the elevator is requested to be removed for any reason, per advanced approval by the Building Manager, there shall be a charge of \$50 per removal/replacement of the elevator ceiling.
12. Trash and Debris. All trash and debris must be carried off site on a daily basis at Owner's sole cost and expense. The trash chutes inside the building CANNOT be used for disposing of debris. Only containers provided by the Owner may be used to dispose of debris and not the trash bins belonging to the Building. All flammable and toxic substances shall be removed daily from the premises.
13. Hours of Operation. Working hours (including cleanup) are limited to Monday through Friday, 8:00 a.m. to 6:00 p.m. Between 8:00 and 9:00 a.m., there shall be no loud noise as this time is for setup only. Working hours (including cleanup) on Saturday are from 9:00 a.m. to 5:00 p.m. No work is allowed on Sundays or national holidays.

14. Parking. For safety reasons, trades people are discouraged from parking in the subterranean garages.

15. Compliance with Governing Documents. Nothing contained in this Agreement shall constitute a waiver of or shall operate to relieve Owner and Association from full compliance with the Association's Governing Documents. Without limiting the foregoing, despite any approval given by the Association, it is the Owner, and not the Association, who has the full and sole responsibility for ensuring that the improvements comply with all laws and governmental regulations and are free of defects.

16. Water Shut-Offs. Water or sprinkler shut-offs can only be done between the hours of 10:00 a.m. and 4:00 p.m. At least 48 hours notice must be given to the Building Manager.

17. Worker Restrictions. All workers must sign in at the front desk, note where they are going, sign an agreement containing rules for all trades people, and wear designated identification, before they will be allowed to go to a Unit. They must also sign out at the front desk when work and cleanup are done. (They must sign back in if they wish to return for non-construction activity after work hours, e.g., for a planning or consultation meeting with an Owner, etc.) Workers are not allowed to bring pets or children on site and will be denied entry if they have an animal or child with them. All workers must wear shoes, pants or shorts, and shirts at all times. Workers are also prohibited from creating nuisance noise unrelated to the construction work and are prohibited from eating meals or taking breaks in the common areas. Any workers failing to comply with the House Rules will be refused access to Oceanaire premises.

18. Keys and Doors. Trades people may not receive Unit keys from security personnel. Only the Owner or his representative may deliver keys to trades people. For emergency reasons, Unit doors must be left unlocked while workers are present in the Unit. Stairwell doors shall be kept closed at all times and opened only for passage.

19. No Drugs or Alcohol. No alcoholic beverages, intoxicants, drugs, or other controlled substances are permitted to be brought onto Association property or used by workers. The offending party shall be barred from the property.

20. Fire Watch. If the Unit's fire monitoring system or fire sprinkler system is disconnected for any reason, Owner must IMMEDIATELY notify the Association WITHOUT EXCEPTION. The Association will post a "fire watch" until the system is reconnected. All expenses including any overtime will be billed to Owner.

21. Association Equipment. Contractors must use their own equipment. No equipment which is the property of the Association may be used at any time.

22. Containment of Dust, Dirt, Noise, and Fumes. All dust, dirt, noise, fumes, etc. must be contained in the Unit.

23. **Diligent Construction.** The Project must be diligently pursued so that the Residents are not subjected to prolonged disturbance and inconvenience. The following information must be provided to the Association:

Start Date: _____ Estimated Completion Date _____ Owner's Initials _____

24. **Insurance.** All contractors and subcontractors must be licensed and must carry appropriate amounts of the following insurance: *Worker's Compensation* and *General Liability and Property Damage*. No work shall commence until a certificate of Workers Compensation has been provided to the Association as well as proof of insurance (i) naming the Association as "Additionally Insured", (ii) providing for Notice of Cancellation to the Association, and (iii) containing a waiver of the carrier's right to subrogate against the Association.

25. **As-Built Plans.** Owner shall provide the Association with a set of "As-Built" plans at the finish of construction. Owner's deposit will not be returned until these have been furnished.

26. **Mechanics Liens.** The work shall be completed free of mechanics liens. Owner shall indemnify and hold harmless the Association and all other Members against liability or loss arising from liens for labor performed or for materials furnished for work on Owner's Unit.

27. **Indemnity.** The consent of the Association to the Project shall not give rise to any liability on the part of the Association or its representatives. Owner shall indemnify, hold harmless and defend the Association and its officers, directors, employees and agents from claims for injury or loss to persons or property arising from the Project or its approval by the Association.

28. **Payment of Fines.** Owner understands and agrees that all fines shall become a special assessment against his or her Unit which may result in a lien against the Unit and a non-judicial foreclosure if unpaid. The schedule of fines (Rules and Regulations, Exhibit B) attached hereto shall apply to all single and continuing violations.

29. **Breach May Be Enjoined.** Owner hereby agrees that if he/she commits any breach of this Agreement, the Association shall be entitled to restrain or enjoin any continuing breach by an appropriate court action for a restraining order and injunctive relief.

30. Dispute Resolution. Except actions for injunctive relief, any dispute arising out of this Agreement shall be resolved by final and binding arbitration before a retired Superior Court judge ("Arbitrator"). The trial shall be commenced, if possible, within six (6) months from the date the matter has been submitted to the Arbitrator. The parties shall be entitled to only such discovery as is permitted by Section 1283.05 of the Code of Civil Procedure. Should any party refuse to or neglect to appear or participate in the arbitration proceedings, the Arbitrator shall decide the controversy in accordance with whatever evidence is presented. The fees necessary to initiate the arbitration shall be remitted by the requesting party. The prevailing party shall be entitled to reasonable attorneys' fees and costs plus interest at the highest rate permitted by law as of the date of the breach. Judgment on the Arbitrator's award may be entered in any court having jurisdiction.

31. Entire Agreement. This Agreement constitutes the entire agreement between the parties and supersedes all negotiations, prior discussions, representations, statements, or understandings whether oral or written. This Agreement may not be modified, amended, or replaced except by a written instrument signed by both parties.

OWNER

OCEANAIRE HOMEOWNERS
ASSOCIATION

By: _____

CONTRACTORS

General Contractor: _____
License #: _____
Workers Comp Insurance _____
General Liability Insurance _____

Architect: _____
License #: _____

Plumbing Contractor: _____
License #: _____

Electrical Contractor: _____
License #: _____

Framing Contractor: _____
License #: _____

Structural Engineer: _____
License #: _____

Acoustical Consultant: _____