



So, you are thinking about working with us to build an ADU or Tiny House but you want to know what the process looks like....

The Process:

- 1) Have a look at our website and pick out an ADU or Tiny House.
- 2) Contact us and let us know as much as you can about your current property and how you envision your new structure working with your site.
- 3) We will meet with you on your site to get an initial understanding of the project.
- 4) If we all think it will be a good idea to continue we will ask you to sign the attached contract and give us a deposit of \$500. The \$500 will be used to analyze the site for appropriate placement of the structure and its required systems and utilities. We will then develop a final budget taking into account unique issues with the site and any customizations you would like to make. The \$500 is non-refundable and is applied to the total amount of the contract.
- 5) We will ask you to approve the budget and the basic design.
- 6) We will finish the design and submit it to code enforcement for their approval.
- 7) If code enforcement needs any adjustments, we will make those. If the changes are significant, we will get your approval before proceeding.
- 8) We will obtain the permit and get your approval for a construction start date.
- 9) We will begin construction and provide everything necessary to complete the construction and ensure all construction elements are inspected properly by code enforcement.
- 10) When the construction is complete we will have you go through the project and provide a punch list to us.
- 11) When the punch list is complete we will receive a final inspection by code enforcement to receive a certificate of occupancy and you will be able to use your new ADU!

If this sounds good, please contact us at 865.321.9600.
or email at josh@architectswright.com, jessica@architectswright.com

Agreement: Owner, Architect, Contractor

This is an Agreement entered into this date _____ between the following Entities:

Owner _____

Architect: Machinations Architecture

Contractor: Machinations Construction, LLC

For the Following Project:

Project Name: _____

Project Location: _____

1. Intent: The Entities intend that the Project be executed in a collaborative and mutually beneficial working relationship. All Entities will endeavor to provide complete and correct information on all subjects pertaining to the Project at all times.

2. Definitions: Certain terms used in this Agreement shall have the definitions assigned to them in this Section. Such definitions shall be equally applied to both the singular and plural forms of the terms defined, and any words of gender shall include the other gender, where appropriate.

Accounting Terms: All accounting terms not specifically defined herein shall be construed in accordance with generally accepted accounting principles consistently applied, and all financial statements, reports and information submitted pursuant to this Agreement shall be prepared in accordance with such accounting principles.

Approve: Officially agree that a part of the Work is satisfactory or correct.

Construction Budget: The total amount of money required to complete the Construction.

Construction Schedule: The total amount of time required to complete the Construction.

Design: The documentation of the Project by the Architect and the Subconsultants that informs and allows for the Contractor to make Improvements to the Land in furtherance of the Project.

Feedback: The Entities will provide honest and direct constructive feedback with the sole intent of improving the complete performance of the Project.

Intended Service: The intended use of the Project once it is completed.

Instruments of Service: All documents, drawings, specifications, calculations, business practices, software, software files, and other tangible materials used for or developed for the use of the Project

Land: That certain premises of real property described in Exhibit "A" attached hereto. If Exhibit "A" is not attached hereto then Land will be defined by Project Location.

Phase: A portion of the Project that can be Constructed and put into its Intended Service independently of the other portions of the Project.

Project: All necessary capital, actions, materials, and intellectual property required to develop, design, construct and place the real estate into its Intended Service.

Project Budget: The total amount of money required to successfully Design, construct, and put the Project into its Intended Service.

Project Information: Any data that influences design or construction decisions.

Project Manager: Person or Entity Responsible for communicating between the Entities, maintaining the Project Schedule. The Project Manager will have the sole ability to approve Applications for Payment. The Project Manager shall be the Architect.

Project Schedule: The total amount of time required to successfully place the Project into its Intended Service.

Punchlist: A list of tasks required to confirm completion of a process, Phase, or the Project.

Responsible: The Entity that is expected to execute the Work in a professional and timely manner and unless noted otherwise has the sole right to approve those portions of the Work.

Review: The process of requesting, assessing, examining and commenting on the Work. The term "Review" explicitly does give the power to Approve.

Subconsultant: Any entity contracted by the Architect to execute the Design. Architect is Responsible for Subconsultants' performance of Work.

Subcontractor: Any entity contracted by the Contractor to execute the Construction. Contractor is Responsible for Subcontractors' performance of Work.

Work: Any activity involving mental or physical effort done in order to place the Project into its Intended Service. The Design-Build Process shall be considered Work.

3. Design-Build Process:

Unless noted otherwise all Design-Build Processes may be performed concurrently or out of sequence as the Project requires and the Entities agree.

Payment: The Owner is Responsible for obtaining the necessary capital to fund the Project Budget.

Project Information Collection: The Entities shall endeavor to collect all necessary Project Information required to analyze the viability of the Project.

Programming: After collecting Project Information, the Entities will develop a Program that describes the basic budget, spatial relationships, and design intent of the Project.

Preliminary Design: The Architect will create basic concepts that meet the requirements of the Program that describe the general layout of the project. The Architect at its discretion may receive information from Subconsultants as necessary. The Entities will provide Feedback and any supplemental Project Information to improve the Design.

Schematic Design: The Architect will use the Feedback and supplemental Project Information from Developer and Contractor to further develop the Design. The Architect will document the intended location of all primary and secondary spaces, primary building systems, primary construction systems, and primary materials. The Architect at its discretion may receive information from Subconsultants as necessary. The Entities will provide Feedback and any supplemental Project Information to improve the Design. Feedback may be integrated into the Design and resubmitted to finalize Schematic Design. The Owner and Architect shall agree in writing that Schematic Design is complete before moving to Design Development.

Schematic Design shall constitute 15% of the Architect's Compensation.

Design Development: The Architect will use the Feedback and supplemental Project Information from Developer and Contractor to further develop the Design. The Architect will document the final location of all spaces, systems and materials using the Project Information from the Entities and Subconsultants. The Entities will provide Feedback and any supplemental Project Information to improve the Design. Feedback may be integrated into the Design and resubmitted to finalize Design Development. The Owner and Architect shall agree in writing that Design Development is complete before moving to Construction Documents.

Design Development shall constitute 35% of the Architect's Compensation.

Construction Documents: The Architect is Responsible for the Construction Documents. The Architect and its Subconsultants will use the Feedback and supplemental Project Information from Owner and Contractor to complete the documentation necessary to receive approval during Agency Review. The Construction Documents shall conform to the professional standards of architects practicing in the same or similar locality under the same and similar circumstances. It is understood by the Entities that the Construction Documents will rely on the Project Information and Feedback to achieve the Intended Service of the Project. The Architect in its sole judgement will determine when Construction Documents are ready to be reviewed by the appropriate agency. The Architect will communicate with the Owner in writing when Construction Documents are ready for Agency Review. The Owner and Architect will agree in writing before moving to Agency Review.

Construction Documents shall constitute 45% of the Architect's Compensation.

Agency Review: The Architect is Responsible for Agency Review. The Entities shall collaborate with the Architect as required to obtain all Agency Reviews. The Architect shall submit all necessary documentation to all governmental or private agencies for review of the Project in a timely manner and collaborate and respond to such agencies as required for the Contractor to receive permission to perform the Construction of the Project. Construction Documents shall be complete upon completion of Agency Review. The Contractor is Responsible for obtaining all permits necessary for the Construction of the Project.

Contract Administration: The Architect is Responsible for Contract Administration. The Architect will collaborate with the Contractor to provide answers to questions concerning the Design and the Construction Documents. The Architect will Review, provide Feedback and may Reject or Approve Work or documentation provided by the Contractor that is necessary for the Work. The Architect will endeavor to communicate in as timely a manner as practicable.

Contract Administration shall constitute 5% of the Architect's Compensation and shall be paid at the completion of Closeout.

Contracting: The Contractor is Responsible for Contracting. The Contractor shall use the Construction Documents to receive final bids from Subcontractors and compare those to the Construction Budget and Construction Schedule for the Entities' review. The Contractor with approval from the Entities shall select the final Subcontractors and bind them to Contracts that include the Subcontractor's scope of work, form of compensation, and the schedule.

Construction: The Contractor is Responsible for Construction. The Contractor shall be solely Responsible for, and have control over, construction means, methods, techniques, sequences and procedures and for coordinating all portions of the Construction for the Project.

The Contractor shall be Responsible for general jobsite safety and ensuring Subcontractors are Responsible for their jobsite safety. The Owner, Architect, and any other person shall consult the Contractor before entering the jobsite. Any person entering the jobsite without the express permission of the Contractor will be considered trespassing. While on the jobsite the Owner, Architect, and any other person will use all personal protective equipment and obey all rules and directions concerning jobsite safety provide by, posted by, and/or required by the Contractor. The Contractor will not unduly limit access of the jobsite to the Architect or Owner.

During Construction the Entities shall regularly be consulted and updated on the progress of the Construction. Any changes to the Construction Schedule or Construction Budget shall be communicated to the Entities as quickly as practicable. All Applications for Payment are to be approved by the Project Manager. Any documentation related to the Construction may be Reviewed by the Entities.

The Contractor shall inform, consult, and collaborate with all agencies required to ensure compliance with and receive all approvals required by agencies for completion of the construction of the Project.

Closeout: The Design-Build Process will be considered complete after receiving a Certificate of Occupancy by agencies if required and approval of the final Punchlist provided by Entities. The Entities shall assist as required to achieve approval from agencies.

5% of Contractor's Compensation shall be held until the completion of Closeout

Upon completion of Closeout final Compensation shall be paid to Contractor.

4. Insurance: The Entities shall within the standards of their area of practice purchase and maintain insurance as required to protect the Project and the other Entities from damages caused by the execution of their respective Responsibilities.

5. Confidential Information, Copyrights, and Intellectual Property: During the Project the collaboration of the Entities may require the disclosure of confidential information. All confidential information shall be held in confidence by all Entities and only shared with express written permission by the owner of the confidential information.

Copyrights and Intellectual Property shall be owned by the Entity that creates or shares the Instrument of Service during the execution of the Project.

The Entities grant a limited license for the use of Instruments of Service for the execution of solely and exclusively for the Project.

No Entity shall use or distribute an Instrument of Service without the written authorization of the Entity that owns the Instrument of Service.

6. Phases: The Project may be executed in Phases at the agreement of the Entities.

7. Compensation:

The Owner is Responsible for Compensation

Fixed Cost: TBD

8. Distribution of Compensation:

Owner is Responsible for Distribution of Compensation of an initial \$500 (five hundred US dollars) deposit for Architect to perform Project Information Collection, Programming, and Preliminary Design. Thereafter Compensation shall be distributed by the Project on a monthly basis in direct proportion to the percentage of Work completed and materials supplied to the Project.

Architect is Responsible for providing and Invoice to the Owner. Failure of the Owner to pay the invoice within 30 calendar days will result in an interest penalty added to the invoice of 18% APR.

9. Indemnification: Each Entity shall to the fullest extent permitted by law indemnify and hold harmless the other Entities of any loss in conjunction with the execution of their Responsibilities.

10. Abandonment of Project:

If Owner voluntarily abandons the project Owner will pay all Compensation due to the other Entities at the time of abandonment. Compensation due shall be based on the percentage of completed Work. In the event the Owner voluntarily abandons the project no license of Instruments of Service will be transferred to the Owner.

If the Architect voluntarily abandons the Project it will offer a license to use its Instruments of Service equal to its Compensation minus the required expenses incurred for the completion or execution of the Instruments of Service.

If the Contractor voluntarily abandons the Project it will offer a license to use its Instruments of Service equal to its Compensation minus the required expenses incurred for the completion or execution of the Instruments of Service.

If the Architect or Contractor voluntarily abandons the Project it shall not receive any owed Compensation for its Work until after Closeout of the Project.

Any Entity that takes on the Responsibilities of another Entity will be entitled to the same Compensation for that portion of the Work after takeover and any extra Work or expense required because of the takeover.

Extra expenses incurred shall be any expense documentable and within the standard of the rates of the same or similar locality.

11. Default

In the event the Owner does not meet its Responsibilities the Architect or Contractor may stop Work until the Owner meets its Responsibilities. Before stopping Work the Architect and Contractor must give written notice to the Owner and allow the Owner 30 calendar days from receipt of the written notice to complete its Responsibilities. If the Owner does not meet its Responsibilities within 45 days of receipt of the written notice Owner will have voluntarily abandoned the project per paragraph 10 Abandonment of Project.

In the event the Architect does not meet its Responsibilities the Owner may stop Compensation until the Architect meets its Responsibilities. Before stopping Compensation the Owner must give written notice to the Architect and allow the Architect 30 calendar days from receipt of the written notice to complete its Responsibilities. If the Architect does not meet its Responsibilities within 45 days of receipt of the written notice Architect will have voluntarily abandoned the project per paragraph 10 Abandonment of Project.

In the event the Contractor does not meet its Responsibilities the Owner may stop Compensation until the Contractor meets its Responsibilities. Before stopping Compensation the Owner must give written notice to the Contractor and allow the Contractor 30 calendar days from receipt of the written notice to complete its Responsibilities. If the Contractor does not meet its Responsibilities within 45 days of receipt of the written notice Contractor will have voluntarily abandoned the project per paragraph 10 Abandonment of Project.

12. Dispute Resolution: The Entities shall endeavor to respect each other’s Responsibilities and seek positive and mutually beneficial resolution to all Disputes. Mediation may be attempted if Entities in dispute agree to it. If a resolution cannot be found between the Entities then the ENTITIES SHALL VOLUNTARILY AND TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW WAIVE ANY AND ALL RIGHTS TO TRIAL BY JURY AND SEEK A RESOLUTION OBTAINED BY TRIAL IN A COURT OF COMPETENT JURISDICTION BY A JUDGE SITTING WITHOUT A JURY. No Entity shall be entitled to request any injunctive relief relating to the progress of construction of the Work the result of which injunctive relief would be to stop, delay or hinder the completion of the Project.

13. Miscellaneous:

Notices: All official notices and other communications required hereunder shall be furnished in writing (including telephonic communications) either through personal delivery or by mail through the United States Postal Service at the following mailing addresses. Preferred phone numbers, emails, and other communications follow:

Owner: _____

Architect:
Machinations Architecture, Joshua D. Wright, 901-786-8946, 608 West Hill Ave #401; Knoxville, TN 37902

Contractor:
Machinations Construction, LLC, Joshua D. Wright, 901-786-8946, 608 West Hill Ave #401; Knoxville, TN 37902

All such notices and communications shall be effective when received, and any such notice shall be deemed to have been received 10-days after mailing, if mailed.

Invalid Provisions: If any provision of this Agreement is held or deemed to be illegal, invalid, or unenforceable under present or future laws, effective during the term thereof, and such provisions shall be fully severable, then this Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part thereof, and the remaining provisions thereof shall remain in full force and effect, and shall not be effected by illegal, invalid or unenforceable provision or by its severance therefrom.

Amendment: This Agreement may not be amended or modified except by written instrument signed by the parties hereto.

Headings: The headings of the several sections of this Agreement are for the convenience of reference only, and shall not effect the meaning thereof.

Final Agreement: This Agreement reflects the final and entire agreement reached by the Entities described herein, and supersedes all oral statements and prior writings with respect thereto. No modification or change in this Agreement, or any related documents shall bind an Entity, unless in writing signed by both parties. No oral agreement(s) shall be binding.

Owner signature: _____

Architect signature: _____

Print Name: _____

Print Name: Joshua D. Wright

Title: _____

Title: President

Date: _____

Date: _____

Contractor signature: _____

Print Name: Joshua D. Wright

Title: President

Date: _____