



Developers Of:  
Grand Oaks  
West Haven  
Centennial Estates  
Meadowsweet  
West Clover

**CUSTOM BUILDERS, INC.  
BUILDERS & DEVELOPERS**

8808 N. Knoxville Ave.  
Peoria, Illinois 61615

PRESIDENT  
VICTOR G. HEUERMANN  
TELEPHONE (309) 693-7500  
(309) 693-7518

**TIME AND MATERIALS AGREEMENT**

This Time and Materials Agreement (the "Agreement") is effective starting this Date  
July 12, 2010

Between: CUSTOM BUILDERS, INC. (the "Contractor") with its primary office located  
at:  
8808 N. Knoxville Ave., Peoria, IL 61615

and Prospect Enterprises, L.L.C. (the  
"Customer/Owner") with its primary address located at:  
3408 W. King James Rd., Peoria, IL 61615

Project / Job Address where the work will be performed is located at:  
6506 N. Queen Frances Ct., Peoria, IL 61615

**TERM:** This Contract shall commence on the date hereof and shall continue until the services performed pursuant to the Scope of Work as described below is completed by Contractor.

**SERVICES / MODIFICATIONS:** Contractor agrees to act as contractor and furnish all materials, labor, subcontracted items, and equipment required to complete the work described in the Scope of Work.

**SCOPE OF WORK:** Contractor agrees to furnish all materials, labor, subcontracted items, and equipment to perform the following services:

Customer/Owner shall assume responsibility and cost for materials, labor,  
warranties etc. for all work completed up to and including sheet rock (approved by  
City of Peoria) on 6506 N. Queen Frances Ct., Peoria, IL. After that point materials  
labor, warranties, subcontracted items, and equipment shall be furnished by  
Contractor.

**JURISDICTION, VENUE AND GOVERNING LAW:** You agree that this Agreement and any disputes hereunder shall be governed in all respects by and construed in accordance with the laws of the State of Illinois. If any terms of this Contract are invalid or unenforceable under any statute, regulation, ordinance, executive order or other rule of law, then the term and/or terms shall be revised to reform or if deleted then only to the necessary extent to comply with such statute, regulation, ordinance, order or rule, and the remaining provisions of this Contract shall remain in full force and effect.

**TERMS OF COMPENSATION:** Contractor shall bill as follows: for Time and Materials plus 10% to be billed the 1st day of each month until work is completed on 6506 N. Queen Frances Ct., Peoria, IL 61615.

**GENERAL PROVISIONS**

- All work shall be completed in a workmanship like manner and in compliance with all building codes and other applicable laws.
- Contractor may at its discretion engage subcontractors to perform work hereunder, provided Contractor shall fully pay said subcontractor and in all instances remain responsible for the proper completion of this Contract.
- Contractor shall furnish Owner appropriate releases or waivers of lien for all work performed or materials provided at the time the next periodic payment shall be due.
- Contractor warrants it is adequately insured for injury to its employees and others incurring loss or injury as a result of the acts of Contractor or its employees and subcontractors.
- Customer/Owner shall at its own expense obtain all permits necessary for the work to be performed.
- Contractor agrees to remove all debris and leave the premises in broom clean condition.
- In the event Owner shall fail to pay any periodic or installment payment due hereunder, Contractor may cease work without breach pending payment or resolution of any dispute.
- Contractor shall not be liable for any delay due to circumstances beyond its control including strikes, casualty or general unavailability of materials.
- Contractor warrants all work performed by said Contractor for a period of 12 months following completion.

**INVOICE AND PAYMENT:** Contractor shall submit to Customer/Owner periodic itemized invoices outlining amounts due in accordance with the rate schedules herein contained or, at Contractor's option, a single final itemized invoice outlining the total amount due in the accordance with the rate schedules and specifications. Customer/Owner shall make payment due under each invoice within thirty (30) days of invoice rendition. Invoices not paid within thirty (30) days shall accrue interest at the maximum rate of 10%.

**INDEMNITY:** Each party agrees to indemnify and hold harmless the other party hereto including but not limited to party's shareholders, partners, directors, officers, employees and agents, from and against any and all claims, demands, causes of any and all action and liabilities regardless of its nature, whether for damages to ones property, and/or the conditions to which this Contract pertains, to the extent that any such claim, demand, cause of action and/or liability is attributable to the breach of contract, negligence or other fault of the indemnifying party.

**ATTORNEY FEES:** In any litigation, arbitration, or other proceeding by which one party either seeks to enforce its rights under this Agreement (whether in contract, tort, or both) or seeks a declaration of any rights or obligations under this Agreement, the prevailing party shall be awarded its reasonable attorney fees, and costs and expenses incurred.

**ENTIRE AGREEMENT:** This Contract comprises the complete agreement of the parties respecting the services performed. Either party, except as expressly stated in this Contract, has made no engagements, promises, representations, or warranties, and the parties hereby expressly disclaim all implied warranties. All modifications to this Contract, except as set forth in the Scope of Work, shall be in writing, signed by both parties hereto.

**TERMINATION:** In the event of termination of this Contract by Customer/Owner, Contractor shall be entitled to compensation for all labor, equipment and materials furnished to date.

I Certify that I have Read this agreement and Understand its terms and conditions. I Authorize the Contractor to begin work Immediately in accordance to the terms and conditions of this Contract Agreement.

Customer/Owner: Prospect Enterprises, L.L.C.

Signature: Linda Washkuhn

Printed Name: Linda Washkuhn, a Manager

Date Signed: 7/13/2010

Signature: Reeve W. Washkuhn

Printed Name: Reeve Washkuhn, a Manager

Date Signed: 7/13/2010

Signature: Edward Sutkowski

Printed Name: Edward Sutkowski, a Manager

Date Signed: 7/13/2010

Contractor:

Signature: Ken G. Hines

Printed Name: Custom Builders, Inc./President

Date Signed: \_\_\_\_\_