

KENSINGTON CONTRACT SCOPE OF WORK

The Contractor will adhere to all City, County, State and Federal building regulations, codes and licensing in all areas where work is to be performed, and supply Material Safety Data Sheets. The Contractor shall secure and maintain the following insurance, naming Owner as Additional Insured (not the same as Certificate Holder): Workmen's Compensation, Comprehensive General Liability and Automobile Liability in the amounts specified by Owner.

1. GENERAL CONDITIONS

- 1.1. Dogs or other pets are prohibited on the jobsites.
- 1.2. Parking or driving on driveways or across yards is prohibited except as agreed upon for staging of equipment and materials necessary to perform the Work.
- 1.3. Portable toilets are to be located on the job site and are the only areas to be used to relieve bodily functions.
- 1.4. Vehicles must be operated in a lawful and proper manner on the job site.
- 1.5. Eating inside any home at any time during construction is prohibited.
- 1.6. Horseplay, drugs, weapons, and/or drinking on the job site is prohibited. The job site is a place of work and the Subcontractors are expected to behave in a professional manner.
- 1.7. Radios will be permitted only if kept at low volume.
- 1.8. Smoking is prohibited in any home, at any time during construction.
- 1.9. Overshoes are required on the job site when mud or snow exists. No shoes are to be worn inside a carpeted home at any time unless carpet runners are in place or shoe covers are worn.
- 1.10. At no time are countertops to be used as workbenches or are toolboxes or other materials to be placed on them. Similar respect for other finished materials such as linoleum, ceramic, and carpet is also required.
- 1.11. Any sawing, sanding or similar work performed after a house is carpeted must be done outside, in a garage, and immediately cleaned up.
- 1.12. Teamwork and respect for the work of other trades is a must at all times.
- 1.13. Clean up, inside and out, is a must. Homes must be left in a clean condition, immediately upon completion of each task and all trash removed to the designated trash bin. Garages are not to be used for storage of trash.
- 1.14. The Contractor shall provide Owner with an after-hours emergency number, which can be used by Owner's personnel as well as Homeowners during their warranty period.

1.15. If inspections are required, it shall be the Contractor's responsibility to call all inspections, have a representative present for such inspections and promptly make any required corrections until the installation is approved.

1.16. Contractor shall provide a certificate of insurance naming Owner as an additional insured. Contractor shall also provide a certificate of insurance for any sub-contractor working on the property. Aggregate insurance of Contractor and sub-contractors shall have a minimum of \$5 million general aggregate insurance.

2. MATERIALS DELIVERED AND INSTALLED SHALL BE DEEMED PROPERTY OF THE OWNER AND CONTRACTOR SHALL HAVE NO LIABILITY FOR THEFT OF SAME. MATERIALS DELIVERED BUT NOT INSTALLED SHALL BE THE RESPONSIBILITY OF THE CONTRACTOR AND OWNER SHALL HAVE NO LIABILITY FOR SAME.

3. GENERAL CONDITIONS

General conditions, including, workers compensation, project administration, onsite storage and rentals, offices, dumping of demolished site materials, equipment usage, protective materials for interior walls and floors, worker protection and clothing, and other necessary items to successfully manage the project are the responsibility of the Contractor.

4. CRAWL SPACE REPAIRS

Crawl space repairs shall include but not be limited to:

1. Removal of existing visqueen, clean out trash and construction debris, re-grading in accordance with design details by A.G. Wassenaar or in a similar manner to achieve flow to interior drains and sump pumps.
2. Install new visqueen in accordance with the currently enforced IBC methodology which will include lapping and sealing of visqueen, extension of visqueen 1' up foundation walls and properly attaching same to such walls.
3. Level and brace beams in accordance with repair recommendations shown by the approved structural engineer. Weld mono-posts to beams and install anchors to attach mono-posts to caissons. Protect mono-posts from surrounding grades utilizing the detail provided by the approved structural engineer and grade where necessary.
4. Repair caissons where mono-posts are more than 2" off center.
5. Weld all shims over 1" in thickness at beam pockets. Brace all beams at foundation corners where this condition exists. Weld mono-posts to beams, install anchors to attach mono-posts to caissons and grout.

6. Repair existing or replace, as needed, exterior wall insulation.
7. Install R19 insulation under structural floors at end units.
8. Install Smart Vent exterior vents, interior passive air vents continuously operating ventilation fans or other recommended ventilation repairs as recommended by the approved mechanical engineer. Close off existing ventilation systems as necessary at end of units as recommended by the approved mechanical engineer.
9. Excavate and install one foot void underneath sewer laterals.
10. Install sump pumps and electric circuits as needed to achieve a functioning sump pump in every unit.
11. Attached settlement exhibits outline all required repairs detailed above in Sections 4.1 through 4.10 (In total – “Exhibit A”).

5. EXTERIOR GRADING DRAINAGE AND CONCRETE REPAIR

1. Repair and clear out all existing chase drains.
2. Install up to 11 chases through city sidewalks in accordance with City of Northglenn standards. The exact location of these drains is to be determined by Contractor and Owner.
3. Extend all downspouts to effectively remove water from foundation area and provide daylight locations.
4. Lower grades around buildings to provide proper clearances from finished grade. Re-grade all such areas to provide positive drainage away from buildings matching the soils engineer's recommendations to the extent possible.
5. Remove and replace existing yard fencing as needed to properly complete grading repairs.
6. Install flashing/foundation extensions in all areas not meeting the soils engineer's specifications in accordance with Exhibit A and with the repair recommendations and approved details.
7. Install new retaining walls as shown on Exhibit A to achieve appropriate grades as shown on Exhibit A.

8. Remove and replace improperly installed and failing or improperly engineered retaining walls. Remove and replace walls showing signs of movement and deterioration as shown on Exhibit A
9. Replace rear stoops as shown on Exhibit A
10. Replace front stoops and steps where settled or incorrect slope exists as shown on Exhibit A
11. Install flashing and properly seal same where wood to concrete separation is inadequate as shown on Exhibit A.
12. Replace damaged exterior flatwork as necessary as shown on Exhibit A with the approved engineer's concurrence
13. Rout cracked concrete and seal with backer rod and sealant as necessary.
14. Install reinforced concrete drain pans in grass swales as necessary within 5-feet of structures including removal and replacement of existing fencing as shown on Exhibit A.
15. Repair irrigation systems upon completion of grading, drainage, retaining wall and concrete work. Including but not limited to, replacement of mainlines, valves, laterals and heads.
16. Replace all landscaping disturbed during grading, drainage, retaining wall repairs and concrete work. All trees will be minimum 2 1/2" caliper and shrubs will be 5 gallon minimum.

6. Building Envelope Repairs

1. Remove all vinyl siding on 22 buildings and soffit & fascia only where leaking. Install flashing as necessary. Install fiber cement hardboard siding with hardboard trim over building wrap. All new materials shall be installed in accordance with manufacturer's instructions and the applicable building codes. All penetrations over 1/2" shall have hardboard escutcheons or trim with weatherproof flashing. Smaller penetrations shall be sealed with a 40-year paintable silicone caulk.
2. Remove existing vinyl windows and vinyl sliding glass doors on 22 buildings. Provide and install (to manufacturers specifications and current City of Northglenn building code) new vinyl windows and sliding glass doors with Low E glass. Contractor will dispose of all windows removed and if any re-sale or scrap value is realized, proceeds will be split on a 50%/50% basis with Owner.

3. Remove and replace all damaged OSB and exterior Gyp as necessary prior to installation of new windows and new fiber cement siding.
4. Remove hardboard trim around and remove all windows and sliding glass doors on 23 buildings with existing fiber cement siding. Provide and install (*in accordance with the plans and specifications or to the width allowed around the window based on the width of the previously installed hardboard trim*) new vinyl windows and sliding glass doors with Low E glass. Provide and install, to the extent necessary, new fiber cement window and sliding glass door trim. Contractor will dispose of all windows removed and if any re-sale or scrap value is realized, proceeds will be split on a 50%/50% with the Owner.
5. Repair interior of units upon completion of replacement of windows and sliding glass doors. Includes drywall repair, caulking, painting, wood trim, sills and aprons if any, reinstallation of alarm connections and repainting with Aspen White interior paint.
6. Repair, to the extent possible, existing fiber cement siding that is buckling or detached. Replace up to 1,000 linear feet of fiber cement siding where repairs cannot be reasonably completed.

7. ROOFING

1. Install new roofs on all 210 units using Elk Prestique, 30 year dimensional shingles, Weathered Wood color unless specified differently by Owner. Installation shall be in accordance with current local codes and manufacturer's installation instructions. In addition to any standard installation methods all roofing will include the following
2. Install diverter flashings as necessary on all roofs.
3. Repair/re-install all apron flashing on roofs in accordance with the applicable building codes, manufacturer's recommendations and engineer's specifications including proper installation of all apron flashing at the interface with building soffits.
4. Repair/reinstall all rake and edge flashing on roofs in accordance with the applicable building codes, manufacturer's recommendations and engineer's specifications.
5. Repair/reinstall all step flashing on roofs in accordance with the applicable building codes, manufacturer's recommendations and engineer's specifications. Insure that all step flashing has the proper clearances and all asphalt shingles are replaced in the proper flashing.
6. Replace all improperly installed roof vents utilized for dryer vents and replace with approved dryer vents for roof top installation.

7. Install all valley shingles to allow a 2" clearance on both sides of valley flashing.
8. Properly seal and flash all roof penetrations, including proper lapping and sealing of all roof jacks vent stacks. Properly seal all rain collars.
9. Seal all exposed fasteners on roofs.
10. Repair gutters with improper or back slopes.
11. All penetrations within 12" of a valley center or 5' of a 1 hr fire wall shall be relocated within the attic to the extent possible and redirected to the proper locations through the roof.
12. Install ice and water shield on all lower roof edges.
13. Install gutters on all upper roofs with downspouts to lower roofs where not currently installed.

8 PAINT

1. Paint 22 buildings that have newly installed hardboard siding. Painting shall consist of caulking all joints in accordance with siding manufacturer's recommendations, utilizing backer rod prior to caulk on all joints wider than ¼", nails penetrating hardboard trim or siding shall also be caulked. All pre-primed trim and siding shall be painted with 2 coats of Kwal Exterior latex paint. All windows and doors will be properly masked and any over spray will be promptly removed or otherwise cleaned up
2. Paint 23 buildings with existing fiber cement siding. Paint shall consist of caulking all joints and nail holes where nails have penetrated greater than 1/8" into trim material; caulking all failed joints and using backer rod on any joint greater than ¼" prior to caulking.

9 MISCELLANEOUS REPAIRS

1. Install soffit vents or lower roof vents on all existing hardboard buildings to comply with code
2. Repair and grout exposed rebar on building 1.
3. Properly install all air conditioning condensate lines to provide adequate drainage away from home and prevent staining. Work shall include drainage pans.

10 INSPECTIONS

Contractor shall be solely responsible for the cost of any inspections deemed necessary by Owner. Contractor will comply with all reasonable requests of such inspectors, except that revisions to work necessitated by codes other than those in force as of the start date are not included in the Scope of Work or the Price. In the event of a disagreement between the Contractor and the inspector as to the quality or compliance with the work, the parties agree to engage an independent third party inspector to settle the dispute. The cost of such third party shall be split equally between Owner and Contractor.

11 ENGINEERING AND SURVEY DESIGNS

Contractor and Owner shall mutually agree on an engineer(s) or inspector, and surveyor to design details and perform field work and inspections necessary to complete the Work. The cost of such engineers shall be borne by the Contractor. In the event Owner and Contractor cannot agree on any third party consultants the parties agree to engage a licensed engineer to review qualifications and bids of each party's engineer of choice and make a final decision as to the engagement of such engineer.

12 ACCESS TO PROPERTY, HOMEOWNER RELEASES & REMOVAL OF PERSONAL PROPERTY AND PETS FROM WORK AREAS

Owner Representative shall work with Contractor to schedule the repairs detailed in the approved Scope of Work. The Contract Lump Sum Price is dependent upon an efficient schedule where repairs inside and outside each unit in a building are completed concurrently. Contractor will need access to units scheduled for repair during normal business hours (8:00 a.m. – 5:00 p.m. for interior repairs; 8:00 a.m. – dusk for exterior repairs). Contractor shall provide lock boxes for each unit as repairs are scheduled. Owner Representative shall assist in obtaining Homeowner Release (sample language to be provided by Contractor) and necessary keys for the lock boxes. Homeowners shall be notified and shall agree that Personal Property and Pets will be removed from work areas on scheduled repair days. Contractor will not be responsible for damaged personal property or lost pets if proper notification has been given to the homeowners.

13 LUMP SUM CONTRACT

Owner and Contractor agree that this is a lump sum contract in the amount of \$4,748,940.00. In addition to the lump sum contract, a contingency in the amount

\$150,000 shall be provided for any repair or maintenance items not outlined in this Scope of Work. Use of Contingency funds must be approved in advance by the Property Manager on behalf of the HOA Board of Directors. The remaining balance of the Contingency at the completion of the items in this Scope of Work shall be split 60% to the HOA and 40% to Contractor.