

Professional Home Developers, Inc

PO Box 17043
 Reno, NV 89511
 NV License No. 32754A

Estimate

Date	Estimate #
4/13/2016	330

Name / Address
Carson City Airport Att. Tim Rowe 2600 College Parkway #6 Carson City NV 89706

Project

Description	Qty	Cost	Total
PHD is a general contractor who has served the State of Nevada since 1991. We are license, bonded and insured. License limit is \$900,000.00 President/manager: Mike Fritz. 775-843-2802 Past projects include the remodel of 60 unit duplexes, 66 apartment buildings, underground utilities, numerous turnkey residential homes, remodels, commercial building tenant improvements. We are a full service company from design to move in turn key. Plans roof engineering: This to include required blueprint plans for the scope of work listed below.		0.00	0.00
Permits: This to include building permits required to cover the scope of work listed below.	1	3,500.00	3,500.00
Demolition: This to include any demolition requirement with in the scope of work on the plans. This to include the removal of all roof top appliances, vents, exiting roof down to framing members. The removal of dry rot framing members, damaged drywall on interior (kitchen, office areas), acoustic ceiling material, and any other objects as needed to replace the roof.	1	1,000.00	1,000.00
Demolition of mold: This to include the remediation of any mold found with in the roof and cinder block walls.	1	16,500.00	16,500.00
This to include labor and material for the new roof framing, with proper pitch, ceiling joist, roof sheathing, and any fascia requirements per building department.	1	30,000.00	30,000.00
Roofing: this to include new galvanize roof flashing, new SA low pitch roof system, roof jacks and mastic for any roof penetrations, and any other roofing requirements per building department.	1	11,500.00	11,500.00
Painting: This to include two coats of paint to the exposed eaves, any fascia, interior drywall, ceiling, and touch up of any chipped paint on the demolition phase.	1	25,000.00	25,000.00
Time frame: Time for demolition, framing, and roofing to start upon issuance of building permit. We estimate this project to take 4-6 weeks. Any hazardous material remediation, weather delay, material availability to be added to agreed upon time frame.		1,500.00	1,500.00
		0.00	0.00

Total

Phone #	Fax #	E-mail
775-843-2802	775-851-8237	Profhomedev@sbcglobal.net

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Description	Qty	Cost	Total
<p>Payment schedule: We will submit invoices weekly base on percentage of completion. We would ask to be paid with a couple of days of invoice submittal please. Any unpaid invoices will accrue a 2% interest after 30 days on the unpaid balance.</p>		0.00	0.00
<p>Exclusions: Not included in this proposal are concrete repair, plumbing, insulation, electrical, temporary facilities (portable toilets), landscaping, removing personal property, removing additional material attached to the buildings, water heaters, asbestos testing, asbestos removal, lead paint testing or abatement, hazardous material removal, other than mold removal mentioned above, excavation of any type, window replacement, entry door repair, rod iron metal repair, fence repair, personal property damage. (We ask that all personal property, model airplanes be removed by airport)</p> <p>If an item is not listed above then it is not included in this estimate</p>		0.00	0.00
<p>Acceptance of Estimate: This is to be signed by client as approval and is a binding agreement for work performance.</p> <p>Change orders: Change orders whether in writing or oral are binding in this estimate. Any material purchased for owner is subject to a 15% overhead charge.</p> <p>A deposit of 15% will be required at this time. We will require additional monies for material upon delivery.</p> <p>Payment schedule to be weekly based on line item percentage of completion.</p> <p>There is a 1.5% finance charge on any unpaid balance per month.</p>		0.00	0.00

	Total	\$89,000.00
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Phone #	Fax #	E-mail
775-843-2802	775-851-8237	Profhomedev@sbcglobal.net

GENERAL CONTRACTOR AGREEMENT
AIRPORT TERMINAL ROOF REPLACEMENT

THIS GENERAL CONTRACTOR AGREEMENT (this "Agreement") is entered into as of the ____ day of May, 2015, by and between Tim Rowe, as Airport Manager of the Carson City Airport Authority ("Owner"), and **Professional Home Developers, Inc.**, a Nevada corporation ("Contractor").

RECITALS

- A. Owner issued an RFP for the replacement of the roof of the Airport Terminal Building, located at 2600 College Parkway (the "Property"), which replacement will have proper eaves designed to prevent or minimize leaks into the building.
- B. Contractor was the lowest responsible bidder, and was chosen by action of the Carson City Airport Authority at its regular noticed meeting of April 20, 2016 (Item #6), and again on May 9, 2016 (Item #5).
- C. Owner has met with Contractor and requested that work proceed such that a determination can be made after no more than \$5,000 to 7,000 is expended (such amount included within accepted bid) if it is found during initial stages of roof removal that the building should instead be demolished.
- D. Owner desires to engage Contractor to perform the Work (defined below) on the Property, and Contractor desires to perform the Work on the Property.
- E. Owner and Contractor desire to enter into this Agreement for the performance of the Work subject to and in accordance with the terms, covenants, and conditions of this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, which are hereby incorporated herein by this reference, the mutual covenants and conditions contained herein, and for other good and valuable consideration the receipt and adequacy of which are hereby acknowledged, Owner and Contractor hereby agree as follows:

1. The Work

1.1 Contractor shall furnish and perform at its own cost and expense all labor, materials, skills, equipment, scaffolding, power, water, taxes, fees, supplies, tools, facilities, supervision and services in order to remove and replace the roof of the Terminal Building, and related mold mitigation, in accordance with the terms and conditions set forth in Estimate #330 dated 4/13/2016 attached hereto (the "Work" and together with the Property, collectively, the "Project"). Contractor shall perform the Work in a good and workmanlike manner, free of defects, in compliance with the Plans and satisfaction of Owner, in accordance with all applicable local, state and federal ordinances, laws, rules and regulations, including, but not

limited to, building codes, safety laws, the Occupational Safety and Health Act, NRS Chapter 116, and NAC Chapter 116 (collectively, the "Laws"), as well as all manufacturers' installation instruction, the terms, requirements and conditions of this Agreement, and all exhibits hereto. Without limiting the generality of the foregoing, all Work to be performed by Contractor shall meet (or exceed) the standards of the industry for commercial construction in Carson City, Nevada.

1.2 All Work shall be completed in accordance with the Plans to be provided to the Airport Manager, and approved by him.

1.3 Contractor hereby represents and warrants that it is entering into this Agreement solely in reliance upon its own information and investigations and not upon any statement or representation made by Owner and that Contractor has all necessary power and authority to enter into and perform all of its obligations under this Agreement. Contractor has inspected, or shall inspect, the Project and shall immediately notify Owner in writing of any unacceptable conditions. The commencement of the Work by Contractor shall be deemed Contractor's acceptance of the Project's condition.

1.4 Contractor shall notify Owner in writing of any discovered problem that might prevent completion of the Project or change the costs of the Project, or any other discrepancy, error, conflict or omission discovered by Contractor in the Plans so that Airport Manager and Contractor can agree whether continued work should proceed. Contractor and Owner agree that Contractor is allowed to incur up to \$7,000 of the total Project cost to remove portions of the roof to allow a determination that the roof replacement can proceed, or to determine whether it will be necessary to demolish the building. If the latter and if the Airport Manager so indicates, then Contractor shall repair the removed portions so that the building can be used until a further decision is made by the Owner.

1.5 Contractor shall be responsible for verification of locations of all existing utilities and for prevention of damage to the utilities.

1.6 Contractor warrants that all materials and equipment furnished shall be of good quality; that all Work shall be free from defects in material and workmanship and shall strictly conform in all respects with the requirements set forth in this Agreement and the Plans.

2. Contract Price

2.1 Subject to the terms and conditions set forth in this Agreement, in consideration for the Work, Owner shall pay Contractor the amounts set forth in Estimate #330.

2.2 Any change to the Work or a cost estimate on a Phase shall be done in writing and shall not be effective unless executed by Owner.

3. Payment of Contract Price.

3.1 Payments shall be made weekly as provided in Estimate #330.

3.2 Payments shall continue unless or until ceases to perform, or fails to provide the contracted services, or until any defective work has been corrected by Contractor in accordance with the provisions of this Agreement.

3.3 As a condition precedent to any obligation of Owner to make payments to Contractor under this Agreement, Contractor shall furnish written evidence satisfactory to Owner that all claims or demands of Contractor and its agents, employees, and any other person or entity furnishing labor, services, materials, equipment, tools, supplies or employee benefits (collectively, "Subcontractors" and individually, "Subcontractor") have been paid, which shall include, without limitation, a Conditional Waiver and Release upon Progress Payment or a Conditional Waiver and Release Upon Final Payment (collectively, "Conditional Waivers") or an Unconditional Waiver and Release upon Progress Payment or an Unconditional Waiver and Release upon Final Payment (collectively, "Unconditional Waivers"), executed by a duly authorized employee or officer of each Subcontractor who has furnished services, labor or material for the Project on or before the effective date of Contractor's request for payment. If any such waivers indicate that there is an amount for a disputed claim for additional work, Owner may withhold such amount until Owner receives proof satisfactory to Owner that such disputed claim has been settled.

3.4 Contractor will pay when due, all claims for labor and/or materials furnished to the Project at Contractor's request and any fringe benefit trust fund, pursuant to any collective bargaining agreement to which Contractor may be bound, and to prevent the filing of any mechanics lien, stop notice or bond claim or any attachments, levies, garnishments, or suits (collectively, "Liens or Levies") involving the Project or Contractor. Contractor agrees within five (5) days after written notice, to take whatever action necessary to terminate the effect of any Liens or Levies, including, but not limited to, filing or recording a surety bond. Contractor may litigate any Liens or Levies, provided Contractor causes the effect thereof to be removed from the Project, or any other of Owner's property or operations, by the proper means, including, but not limited to, Contractor's filing of a surety bond as Owner may deem necessary.

3.5 If Owner receives any notice of any Liens or Levies that affect Contractor, Owner may withhold the payment of any monies to which Contractor would otherwise be entitled to receive or issue joint checks in Owner's discretion, until such time that Owner has reasonable evidence that such Liens or Levies have been discharged.

3.6 If Contractor fails to pay and discharge when due, any bills or obligations of any kind or nature whatsoever incurred by Contractor by reason or in fulfillment of this Agreement, whether or not Liens or Levies have been or may be filed with respect thereto, Owner, at Owner's option but without being obligated to do so, may pay all or any part of such bills or obligations for Contractor's account. Contractor hereby expressly waives any right of redress or recovery against Owner by reason of any act or omission of Owner in paying such bills or obligations.

3.7 No payment or advance made to Contractor pursuant to this Agreement shall be construed as evidence of acceptance of any such Work or compliance by Contractor with the terms of this Agreement and shall not be construed as a waiver by Owner as to Work later found to be defective or incomplete and shall not release the Contractor from its obligations to correct

defective or incomplete Work. When in the sole opinion of Owner it is advisable: (i) payments to Contractor may be made by checks payable jointly to Contractor and its Subcontractors, suppliers or any of them; or (ii) payments (including but not limited to Contractor's payroll obligations) may be made directly to one or more of the Subcontractors. Any amounts so paid shall be deducted from the amounts owed to Contractor under this Agreement. Acceptance of the last payment with respect to Work performed on a particular completed building shall constitute a waiver of all claims by Contractor as to that building and the lot upon which it is constructed.

4. Schedule of Construction.

Without limiting Section 3.1 above and Contractor's covenant to commence the initial demolition Work as soon as is reasonably possible, it is estimated that Contractor shall commence the Work on _____, 2016 and that all Work shall be completed by _____, 2016. In any event, Contractor hereby covenants and agrees that the Work shall be commenced by Contractor no later than June 1, 2016 and that the Work shall be completed no later than September 1, 2016. Acts of God or Owner caused delays will result in an equal extension of the time for completion the Project.

5. Termination.

Either Owner or Contractor may terminate this Agreement at any time and for any reason or no reason, by giving the other party seven (7) days prior written notice, and should such termination be made other than for Contractor's failure to perform the Work or Contractor's breach of this Agreement, Owner shall pay Contractor the cost of Work actually completed by Contractor in its performance of the Project less any deductions from the Contract Price made by Owner in accordance herewith. As a condition precedent to Contractor's right to receive payment pursuant to this section, Contractor shall provide written evidence satisfactory to Owner that such Work has been complete, including, but not limited to, canceled checks, paid invoices, and such other documentation as Owner may require, substantiating Contractor's claim to such incurred costs for the Project. Payment pursuant to this paragraph shall be subject to all the terms and conditions of, and procedures for, payment as set forth above in Section 3 above.

6. Correction of Work.

6.1 Contractor shall promptly correct all work which Owner deems to be defective or as failing to conform to this Agreement, and Contractor shall bear all costs of correcting such rejected work at no charge to Owner.

6.2 Contractor hereby assigns to Owner any and all warranties, guaranties and other materials, whether written, oral, express, implied or statutory, which Contractor now has or hereafter receives from any Subcontractor or manufacturer supplying materials, labor, services, goods, appliances or equipment to Contractor in connection with Contractor's Work and the right to recovery from any and all such persons and entities for any breach by them of their respective warranties, guaranties, contacts or other obligations. All such written warranties, guaranties and materials shall be delivered to Owner when the Work is completed or this Agreement terminates, whichever first occurs.

6.3 The provisions of this Section 6 shall survive the expiration or termination of this Agreement.

7. Default and Remedies

7.1 Should either party fail to perform in accordance with any term of this Agreement or otherwise be in default under or breach this Agreement (collectively, "Default"), the nondefaulting party shall be entitled to pursue any and all rights and/or remedies hereunder at law, and/or in equity.

7.2 Without limiting the generality of the foregoing, if Contractor Defaults, Contractor shall have no right to receive any further payment after Default until such time as the Work to be performed by it has been completed and accepted by Owner and any costs reimbursed to Owner.

7.3 The options and rights granted to Owner herein shall not be deemed as limitations upon the other rights and remedies of Owner.

7.4 Without in any way limiting the generality or materiality of the other provisions of this Agreement: (i) either party shall be deemed in Default of this Agreement if such party is adjudicated as bankrupt, files a petition for reorganization or arrangement under any laws relating to bankruptcy, commits an act of insolvency or makes an assignment for the benefit of creditors; and Contractor shall be deemed in Default of this Agreement; and (ii) Contractor shall be deemed in Default of this Agreement if Contractor is listed by the administrative office of an applicable employee fringe benefit trust, including by way of illustration but not of exclusion, health, welfare, pension, vacation or apprenticeship trust, as being delinquent in the payment to any such trust, regardless of the construction project upon which delinquency occurred.

8. Assignment.

Contractor shall not assign or transfer this Agreement or any part hereof, or make an assignment or transfer of any monies payable to Contractor pursuant to this Agreement without the prior written consent of Owner, and any attempted assignment or transfer of this Agreement, shall constitute a Default of this Agreement. Contractor shall ensure that all persons or entities performing any work at the Project on behalf of Contractor shall comply with all requirements of this Agreement and the same conditions precedent to Owner's payment obligations shall apply.

9. Protection of Work.

Contractor shall protect materials supplied to it from any source and the Work to be performed by it and shall at all times be solely responsible for the good condition thereof until final completion and acceptance by Owner of all Work to be performed by Contractors and Subcontractors. Contractor shall be responsible for any defect in the Work or damages to materials caused by or resulting from its failure to adequately and properly protect such work or materials. Contractor assumes all responsibility and expense for materials, supplies, tools or equipment lost, damages or stolen at the construction site. In no event shall Owner be responsible for loss or damage to the Work or materials belonging to, supplied to, or under the control of Contractor unless such loss or damage is the direct result of the wrongful and

intentional acts of Owner, and Contractor shall hold harmless Owner from any such claims. CONTRACTOR ACKNOWLEDGES AND AGREES THAT OWNER OWES NO DUTY TO PROTECT CONTRACTOR'S WORK, MATERIAL OR EQUIPMENT.

10. Cleanup.

10.1 Contractor shall at all times keep the construction site and any storage areas used by Contractor free from accumulation of waste material/spoils, dirt, mud, scrap, trash and rubbish. Waste/spoils and surplus material, scrap, trash and rubbish shall be removed from the subdivision or construction site or deposited in designated locations. Upon completion of Contractor's Work, Contractor shall promptly remove all rubbish trash, scrap, spoils/surplus materials, tools, scaffolding and equipment from the construction site, and the construction site and adjacent areas thereto shall be left "broom clean". In addition, Contractor shall perform its Work and clean-up so as to comply with all dust control mitigation requirements set forth herein.

10.2 Contractor shall keep all streets, alleys, sidewalks free from stockpiled dirt, excess spoils/materials and debris to the greatest extent possible in performing the Work and shall not at any time leave the streets and sidewalks in an unsafe condition.

11. Independent Contractor.

At all times, Contractor is acting as an independent contractor and shall be solely responsible for the employment, acts, omission, control and direction of its employees and Subcontractors. Nothing contained in this Agreement shall imply any other relationship between Owner and Contractor, or authorize or empower Contractor to assume or create any obligation or responsibility whatsoever, express or implied, on behalf of, or in the name of Owner, or to bind Owner in any manner, or make any representation, warranty or commitment on behalf of Owner.

12. Contractors Employees and Subcontractors.

Contractor shall comply fully with all applicable federal, state or local Laws relating to employment. In connection with performance of the Work, Contractor agrees not to discriminate against any employee or applicant for employment because of race, color, sex, age, national origin or disability.

13. Inspection by Owner.

Contractor shall furnish to Owner (i) ample facilities at all times for inspecting materials and (ii) upon request, full reports of the progress of work, including any plans/as-builts, drawings or diagrams in course of preparation, process, fabrication, manufacture or treatment.

14. Change Orders.

Contractor shall make no changes in the Work to be performed hereunder, including, but not limited to, additions, deletions or substitutions, nor shall Contractor perform any extra work, without the prior written consent of Owner, it being understood that Contractor shall receive no additional sums without first obtaining such prior written consent of Owner. This Agreement may only be modified in writing and may not be modified by the conduct of any party hereto.

All such authorization for changes in Work required to be performed, including performance of extra work in addition to that required hereunder, shall be upon written instruments signed by both parties. Touchup work and minor patching is considered a part of the Work and shall be performed without a signed instrument.

15. Taxes.

Contractor shall pay all transaction, privilege, sales, use, and similar taxes imposed by local, state or federal laws applicable to the labor, materials and services supplied by Contractor and all Subcontractors. Contractor shall be solely responsible for the payment of local, state and federal income taxes, withholding requirements, self-employment taxes, social security taxes and other taxes and employment benefits with respect to payments made to Contractor and payments by Contractor to Subcontractors. If any such taxes are assessed against Owner (without any obligation to so pay), the amount paid by Owner shall be deducted from any sums due to Contractor hereunder.

16. Compliance With Laws.

Contractor shall give all notices and comply with all Laws bearing on the performance of the Work. Contractor shall not permit any of its Subcontractors to dump, store, release, dispose or emit (collectively, a "Release") any oil, gasoline, paint or other hazardous substance or pollutant or their containers governed or regulated by any federal, state or municipal Law (collectively, "Pollutants") at, under or in the vicinity of Property and Contractor shall deal with all Pollutants, including the contained and disposal thereof, in accordance with all applicable Laws at Contractor's expense. Contractor shall indemnify, defend, and hold harmless Owner for, from and against all claims, actions, proceedings, liabilities, losses, assessments, damages, penalties, fines, fees, expenses, investigations and liens arising out of or in connection with any such Release or violation of any such Laws caused by Contractor or any Subcontractor. The provisions of this paragraph shall survive termination or expiration of this Agreement and/or completion of Contractor's Work. Contractor shall secure and pay for all permits, fees and licenses necessary for the execution of the Work, and upon termination of this Agreement for any reason, Contractor shall transfer such permits to Owner, or at the option of Owner, transfer the remaining portion of the fee to Owner, to the extent permitted by law. Contractor shall post and give warnings to Contractor's employees, other workers, and any occupant or user of the work of any hazardous substance present on the Project, even if lawful and in compliance with this Agreement. Contractor shall arrange for and conduct routine inspections of equipment and job site conditions as necessary to ensure compliance with safety programs and standards and all applicable building codes.

17. Safety.

Contractor shall take all reasonable safety precautions with respect to the Work and shall comply with all applicable safety Laws, including the Occupational Safety and Health Act of 1970 and the Construction Safety Act of 1969, General Industrial Safety Orders, Group 15, and Occupational Noise Article 105 Control of Noise. Contractor shall report in writing to Owner any injury to any of Contractor's Subcontractors at the job-site within forty-eight hours of such injury. Contractor shall indemnify, defend and hold harmless Owner for, from and against

claims and losses by fines, penalties or corrective measures resulting from acts or omissions by Contractor or with respect to or arising from any violation of safety requirements.

18. Indemnity.

To the maximum extent permitted by law and without limiting any other indemnity obligations herein, Contractor hereby agrees to save, indemnify, defend and hold and keep harmless Owner and its trustees and beneficiaries from and against all liability, claims, judgments, suits, or demands for damages to persons or property arising out of or resulting from Contractor's performance of the Work performed under this Agreement and/or for Contractor's failure to comply with the terms hereof ("Claims"). Contractor's indemnification and defense obligation shall include any Claim made against Owner by (i) a Contractor's employee or subcontractor who has been injured on property owned by Owner; (ii) a homeowner or association; (iii) a third party claiming patent, trademark or copyright infringement by Contractor or Owner and arising from Contractor's Work on the Property; and (iv) a third party or homeowner or association for any construction defect pursuant to NRS 40.

The provisions of this Section 18 shall survive expiration or termination of this Agreement and/or completion of the Work and shall continue until such time it is determined by final judgment that the Claims against Owner are fully and finally adjudicated or fully and finally barred by the statute of limitations. Contractor's indemnification and defense obligations shall not be limited by the amounts or types of insurance that Contractor is required to carry under this Agreement or that Contractor does in fact carry.

19. Immigration and Naturalization.

The relationship between Owner and Contractor is such that under applicable immigration laws and regulations, Contractor, and not Owner, is responsible for immigration employment authorization verification of Contractor's employees and agents. Contractor verifies that Contractor's employees and agents are all authorized to work in the United States, and Contractor will comply with all required procedures for verification of work authorization. Contractor indemnifies, defends, and holds harmless Owner against any violations by Contractor of any violation of any federal or state laws or regulations regarding the employment of aliens.

20. Insurance.

Contractor represents that it does carry and will continue to carry, with insurance companies rated A- or better by A.m. Best Rating Company, the following insurance coverage continuously during the life of this Agreement.

20.1 Commercial General Liability Insurance. Commercial General Liability Insurance on an occurrence from containing limits of at least \$1,000,000 per occurrence/\$1,000,000 general aggregate/\$1,000,000 product-completed operations, protecting against bodily injury, property damage and personal injury claims arising from the exposures of:

20.1.1 Premises or ongoing operations;

20.1.2 Products-completed operations including materials designed, furnished and/or modified in any way by Contractor with a separate aggregate limit at least equal to the per occurrence limit. This coverage must be maintained through the statute of limitations in the state where work is being performed. Policies and/or endorsements cannot include any provisions that terminate products-completed operations coverage at the end of a policy period or limit this coverage in any other way with respect to the additional insured;

20.1.3 Independent Contractors;

20.1.4 Contractual liability coverage; and

20.1.5 Where applicable, property damage resulting from explosion, collapse, or underground (x, c, u) exposures;

and containing the following provisions:

20.1.6 This coverage must be primary; any of Owner's insurance shall be considered excess for the purpose of responding to claims.

To the extent umbrella or excess insurance is available above the minimum required limits stated in this Agreement, the protection afforded Owner in the umbrella or excess liability insurance shall be as broad or broader than the coverage present in the underlying insurance and in accordance with this Agreement. Each umbrella or excess liability policy shall specifically state that the insurance provided by the Contractor shall be considered primary.

Contractor must disclose all applicable policy deductibles and/or self-insured retentions (SIR) and agrees to be liable for all costs within the deductibles and/or SIR.

20.2 Automobile Liability Coverage. Automobile Liability Coverage with a combined single limit of \$1,000,000 insuring against bodily injury and/or property damage arising out of the operation, maintenance, use, loading or unloading of any auto including owned, non-owned, and hired autos, Owner must be added as an additional insured for automobile liability.

20.3 Workers' Compensation and Employer's Liability Coverage. Workers' Compensation Insurance providing statutory benefits imposed by applicable state or federal law such that (i) Owner will have no liability to Contractor or its employees, subcontractors and agents; and (ii) Contractor will satisfy all Workers' Compensation obligations imposed by state law. Contractor acknowledges that it, its employees, subcontractors or agents are in no way

20.4 Certificates of Insurance.

Contractor shall evidence that such insurance is in force by furnishing Owner with a Certificate of Insurance..

20.5 Subcontracting.

If the Contractor should subcontract any of the Work to a third party, Contractor guarantees that such third party shall indemnify, defend, and hold Owner harmless as set forth in this Agreement and shall carry insurance as set forth in this Agreement prior to permitting such third party to commence such portion of the Work.

20.6 Modifications to This Agreement

The amounts and types of insurance set forth above are minimums required by Owner and shall not substitute for an independent determination by Contractor of the amounts and types of insurance which Contractor shall determine to be reasonably necessary to protect itself and its work.

21. Attorneys' Fees.

If either party brings or defends any legal action, arbitration proceeding or administrative proceeding in connection with the Work or to enforce or interpret any of the provisions of this Agreement, the non-prevailing party shall pay all costs and expenses incurred by prevailing party, including but not limited to, a reasonable amount for attorneys' fees, such amount to be determined by the court, arbitrator or administrative hearing officer and not a jury.

22. Governing Law and Interpretation.

This Agreement relates to work to be performed by Contractor in the State of Nevada and the Laws of such state shall exclusively govern the construction of this Agreement. Contractor waives and relinquishes its right to commence or maintain an action at law or in equity arising out of this Agreement in any place other than Carson City, State of Nevada. This Agreement shall be construed in accordance with its plain meaning and shall not be construed for or against any of the parties hereto regardless of either party being responsible for the initial draft. Paragraph headings shall be disregarded in construing or interpreting the provisions of this Agreement. If a term, provision, covenant, or condition of this Agreement is held to be void, invalid or unenforceable, the same shall not affect any other portion of this Agreement and the remainder shall be effective as though all such void, invalid or unenforceable terms, provisions, covenants or conditions had not been contained herein.

23. Time.

Time is of the essence in performance of the parties' obligations under this Agreement.

24. Entire Agreement.

This Agreement and the exhibits attached hereto, which are hereby incorporated herein by this reference are solely for the benefit of the parties hereto and represents the entire and integrated Agreement between the parties hereto and supersedes all prior negotiations, representations or Agreement, either written or oral, and also supersedes any inconsistent standards of practice in the construction industry in Carson City, Nevada. No amendment or supplement to this Agreement shall be effective unless in writing signed by the parties hereto. All exhibits attached hereto are incorporated herein by reference.

25. Waiver.

A waiver by Owner of any breach or violation by Contractor of any provision of this Agreement shall not constitute a waiver of any further or additional breach of such provision or of any other provision. No provision of this Agreement, including the foregoing general conditions may be waived by Owner except in writing, and this Agreement may only be amended by written agreement executed by Owner and Contractor.

26. Third Party Beneficiaries.

Nothing contained in this Agreement shall be construed to be for the benefit of any person not a party to this Agreement and no third party beneficiary rights are intended to be created by this Agreement.

27. Ownership of Project Plans.

Contractor agrees that all drawings, specifications and other documents, including copies thereof, furnished by Owner are the property of Owner and are not to be used on other work or given to other parties, except as needed during the course of the Work to be performed hereunder. All drawings, specifications and other documents shall be returned to Owner upon completion of the Work at Owner's request.

28. Settlement of Disputes.

In the event of a dispute, the parties shall endeavor through informal negotiations conducted in good faith to resolve the dispute with the Architect. If the parties fail to resolve the dispute through such negotiations within thirty (30) days, then the parties shall conduct a mediation before an independent Judge, former Judge, attorney or former attorney within thirty (30) days thereafter. In the event that such dispute is not resolved in mediation, either party may pursue any and all rights hereunder, at law, and/or in equity, including, without limitation, filing suit in Carson City, Nevada. None of the foregoing shall prohibit a party from immediately filing suit for injunctive relief in order to stop or prevent immediate harm.

29. Estimate #330 is attached hereto and made a part hereof.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have set their hands to be effective as of the Commencement Date first set forth above.

OWNER:

Carson City Airport Authority

By: _____
Name: Tim Rowe
Its: Manager

CONTRACTOR:

Professional Home Developers, Inc., a Nevada corporation

By: _____
Name: Mike Fritz
Its: President
Date: _____
NV Contractor's License No. 32754A