

This is a letter of agreement between the bank: Security Pacific; the owner: John and Mara Lighty; and the Contractor: Center for Environmental Structure for purposes of completing the owner's house at Berrywssa Estates, and obtaining a notice of completion for the owner. This letter constitutes a binding agreement and is considered by all parties to be an addendum to the original contract, dated July 28, 1987. By their signature in the appropriate space at the end of this letter each party agrees to uphold their respective responsibilities, specified herein. Security Pacific agrees to extend the construction loan until August 16, 1989. The Center for Environmental Structure agrees to complete all of the contract items according to the schedule below, and promises to have every contract item completed no later than August 16, 1989. The owners hereby authorize work on the non-contract items listed below and will provide cash flow to the contractor as specified below, with the understanding that this cash flow provides for all contract and non contract items listed herein. Furthermore the owners agree to complete all painting work by the deadline of August 16, 1989.

#### I. ITEMS REMAINING FOR COMPLETION

Items currently included in original contract

1. Install windows and doors
2. Install bathroom plumbing fixtures (2 lavatories, 2 w.c. 1 shower, 1 tub, 1 hot water heater)
3. Install kitchen counter with sink
4. Install finished floors (wood in liv, kitchen, library; carpet in bedroom; ceramic tile in bathrooms; Acid wash in studio)
5. Install light switches, wall outlets and light fixtures.
6. Install gas heater in studio, and electric baseboard heaters in library, kitchen and bedroom.
7. Install window trim, door trim, wall trim and baseboard.
8. Paper cutouts for decoration on interior wall panels in living room, stairway hall, and kitchen.

Extra non-contract items required for final completion

8. Entry porch
9. Living room terrace trellis
10. Living room terrace: exterior tile paving
11. Built-in couch and futon in living room alcove

12. Built-in couch and futons in library
13. Built-in window seats in studio
14. Sitting wall and step between living room and kitchen
15. All interior paint and exterior lime wash. Labor and materials provided by the Lightys.
16. Kitchen patio, retaining wall, steps.
17. Entry and library stair hydrostone.
18. Booksleves in library.

## II. FINAL COMPLETION DATES FOR ABOVE ITEMS

- |                 |               |   |
|-----------------|---------------|---|
| 90%             | 1.            | 6/19 - Windows and doors completed.   |
| -               | 2.            | 6/23 - Bathroom plumbing fixtures completed.  |
| 90%             | 3.            | 6/23 - Kitchen counter with sink completed.   |
| <del>100%</del> | <del>4.</del> | <del>6/16 - Finished floors completed.</del>  |
|                 | 5.            | 7/15 - Electrical work completed.   |
| 9               | 6.            | 7/1 - Heaters installed.  |
| 75%             | 7.            | 8/11 - All trim installed.  |
| 50%             | 8.            | 8/11 - Entry porch completed.   |
| 75%             | 9.            | 8/1 - Living room terrace trellis completed.  |
|                 | 10.           | 8/11 - Living room terrace tile floor completed.  |
| 100%            | 11.           | 7/1 - Built-in couch in living room alcove completed.   |
| 100%            | 12.           | 7/1 - Built-in couch in library completed.  |
|                 | 13.           | 7/1 - Built-in benches in studio completed.   |
|                 | 14.           | 7/1 - Sitting wall and step between living room and kitchen completed.  |
|                 | 15.           | 8/11 - Interior paint, interior floor and furniture finishes and exterior lime wash (all material and labor provided by Lightys). |
| 100%            | 16.           | 7/1 - Interior wall tape and mud ready for paint  |
|                 | 17.           | 8/1 - Hydrostone stairs   |

In order for the contractor to perform the contracted items at the accelerated rate shown in the above schedule it will be necessary for the contractor to provide much additional man-power on the job. To perform this work in a fashion which utilizes the crew efficiently and allows the contractor to stay within the allocated budget, it will be absolutely necessary for the contractor to complete the currently non-contracted items within this same time period.

When all items, both those currently contracted and those currently not contracted are completed, the contractor will provide affidavits of lien release to the client for forwarding to the bank.

## III. NOTICE OF COMPLETION.

After completion of the above items, architect will issue a notice of completion. Bank final payment will be made on the basis of architect's notice of completion.

#### IV. AGREEMENT ON COLOR AND DESIGN.

On the following items Mara Lighty will see and approve color swatches and/or design sketches.

Roof color.

Exterior wall color

Interior wall color

Window and door sash color

Futon material

Low wall between kitchen and living

Interior wall surface will be one coat PVA over particle board as installed followed by one coat high-body latex paint followed by one coat regular latex paint. Included special CES designs in paper, on living room, kitchen and upper stairway.

#### V. TASKS TO BE COMPLETED BY THE LIGHTYS

LIGHTYS TO SUPPLY ALL MATERIALS AND COMPLETE AS FOLLOWS:

1. Prime and paint all doors and door-frames.
2. Prime and paint all window frames.
3. Prime and paint all sash.
4. Seal and finish kitchen counter and two bathroom sink stands.
5. All exterior lime wash (color formulas supplied by CES).
6. Top fill upper terrace and back fill and top fill kitchen terrace
7. All interior paint: One coat PVA over particle board as installed followed by one coat high-body latex paint followed by one coat regular latex paint on all interior walls. Tape columns and beams as needed for protection while painting.
8. Block filler on exposed concrete retaining walls and edge of stairs (interior)
9. Sand and finish all wood floors with three coats of varathane (kitchen stain by CES).
10. Top fill upper terrace and back fill and top fill kitchen terrace
11. Seal and wax or varnish all built-ins.

#### VI. PUNCH LIST

The final punch list is attached to this document. If any outstanding item remains on August 15, it may be subtracted from final payment, and paid when complete.

#### VII. PAYMENT SCHEDULE TO BE FOLLOWED BY THE LIGHTYS.

TOTAL TO BE PAID DURING THE PERIOD May 15 to August 15 is \$37,343

To provide for the above schedule of completion, the Lightys will make the following payments to CES, on these specified dates:

May 15	<del>3,000</del> → chrs
June 1	10,140
June 15	5,300
July 1	4,300
July 15	4,300 → <del>3,300</del> 3,000
August 1	5,000
August 15	5,303

TOTAL TO BE PAID from May 15 to August 15  
37,343.00

#### VIII. TIMELINESS.

Contractor has the right to stop work if payments are not made on dates recorded here.

#### IX. LIEN RELEASE.

When all payments have been made, and all items in this agreement have been completed, the contractor will provide affidavits of lien release to the client for forwarding to the bank.



The above items are agreed by the parties:

For Security Pacific Bank

  
For Center for Environmental Structure

  
John Lighty

  
Mara Lighty

Date:  June 14 1989 

200  
120  
320