

KRANE BUILDERS AND DEVELOPMENT

8951 N. MILWAUKEE AVE SUITE # 204
NILES, ILLINOIS 60714
TEL.773.290.7420, FAX. 847.965.2306

PROPOSAL # 1208-13

DATE: December 7, 2013

TOTAL PAGE: 9

PROPOSAL SUBMITTED TO: Mr. Joon H. Lee
14335 S. LaGrange Rd
Orland Park, IL

TELEPHONE: 708)341-8671

PROJECT: PHASE III
Commercial Building Facade Renovation
14335 S. LaGrange Rd
Orland Park, IL

PERMIT # :

The price for this based on the following conditions and assumptions:

The following items are not included in the price of this project: sprinklers, soil testing services, architecting and engineering services, shop drawings and any licenses, permit fee, health inspection, and/or performance/payment bonds.

NOTE: PHASE VI : Elevator and Ramp For Mezzanine are excluded.

The following assumptions are made:

All necessary roads, walkways, security, utilities (water, electric), sanitary facilities, are assumed, furnished and maintained by owner. The price for this project is based on non-union wages.

PHASE III:

ORLAND PARK FAÇADE RENOVATION PROPOSAL

1. DEMOLITION

Shoring Wall with ply wood and wood stud for first and second floor prior to demo;
Removal of fire alarm and electric and mechanical devices;
Removal of all the mansard walls, elevated entry platform steps and walls;
Removal of elevated entrance & storefront and projected storefront windows;
Removal of existing pole sign;
Fence and Equipment (Boom lift and scaffold); OSHA Safety Code;

2. FASADE WORK

GROUND FIRST FLOOR WORK

Installation of new enclosure (Canopy Lobby) and new GALV STL TUBE COLUMN
@ EXISTING LOCATION;

STRUCTURALWORK-Excavation, Footing, and Foundation;
STL TUBE COLUMN;

Installation of new ALUM. storefront windows and doors @ Existing Location;

Installation of lime stone and lintel and brick;

Installation of Exit and EM Light @ doors and outlet and switch and light and on
the exterior wall and canopy;

Installation of Fire Alarm @ doors (Inside and Outside) and Exterior Canopy;

2ND FRONT FLOOR WORK

STRUCTURAL WORK;

Installation of Beams and Floor Joist in second floor addition;

Installation of new GALV STL TUBE POSTS W/ ALUM PNL
enclosure typ;

Installation of new ALUM. storefront windows and doors @ INCREASED WINDOW
(OPENING LOCATION (27 FT) AND CANOPY FRAME AND WINDOW;

Installation of lime stone and lintel and brick;

Installation of Exit and EM Light @ doors and outlet and switch and light and
HVAC in the Canopy Lobby;

Installation of Fire Alarm @ doors and Canopy Lobby;

Installation of new roof with deck and MTL COPING;

SOUTH AND NORTH ELEVATION WORK

Installation of new ALUM. windows (6)

STOCOAT METALIC COLOR WORK (A201)

FRONT FAÇADE ELEVATION

SOUTH ELEVATION;

INCLUDING ABOVE AREA THE TAE KWON DO MAIN
ENTRANCE DOOR;

NORTH ELEVATION;

FIRST FLOOR PARTITION WORK FOR FIRST FLOOR TENANT (4,500 SQ. FT)

Partition and door for interior lobby room;

Masonry work; exit door on south AND NORTH wall;

Exit and EM light;

Partition wall for 4500 sq.ft;

PARKING LOT IMPROVEMENT (T001)

Installation of CROSS ACCESS in rear REQUIRED BY VILLAGE OF ORLAND PARK;

Main Parking Lot (WEST) AFTER FASADE WORK;

Installation of new concrete sidewalk

LANDSCAPE IMPROVEMENT and STRIPING IN THE FRONT PARKING LOT

NOT PROPOSED DUE TO VILLAGE PLAN.

ELEVATOR PLAN WORK (PHASE VI) RAMP WORK FOR MEZENIE

NOT PROPOSED

Overhead and GC Fee included.

BASE BID:

For the total of price of:

Two Hundred Nineteen Thousand Dollars-----\$219,000.00

This Construction Proposal (the "proposal") is made as of December 7, 2013 (the "effective Date") by and between JOON H. LEE, 14355 S. La Grange Rd, Orland Park, Illinois, and Krane Builders and Development, Inc. of 8951 N. Milwaukee Ave, Niles, Illinois 60714.

Krane Builders and Development, Inc. desires to provide Construction services to Joon H. Lee And Joon H. Lee desires to obtain such services from Krane Builders and Development, Inc.

THEREFORE, in consideration of the mutual promises set forth below, the parties agree as follows:

DESCRIPTION OF SERVICES

Beginning on December 7, 2013, Krane Builders and Development, Inc. will provide to Joon H. Lee the following services (collectively, the "Services"):

FACADE RENOVATION WORK (PHASE III)

1. SCOPE OF WORK

Krane Builders and Development, Inc. will provide all service, materials and labor for the construction of FAÇADE RENOVATION at the property of Joon H. Lee located at: 14355 S. La Grange Rd, Orland Park, Illinois, hereinafter referred to as ("Worksite").

This Includes building and construction materials, necessary labor and site security, and all required tools and machinery needed for completion of construction.

Krane Builders and Development, Inc. is not only responsible for furnishing any building Improvements related to construction of the structure, but not related to landscaping, grading, Walkways, painting, sewer or water systems, steps, driveways, patio and aprons, etc., unless they are specifically agreed to in writing.

2. PLANS, SPECIFICATIONS AND CONSTRUCTION DOCUMENTS

Joon H. Lee will make available to Krane Builders and Development, Inc. all plans, specifications, drawings, blueprints, and similar construction documents necessary for Krane Builders and Development, Inc. to provide the Services described herein. Any such materials shall remain the property of Joon H. Lee. Krane Builders and Development, Inc. will promptly return all such materials to Joon H. Lee upon completion of the Services.

3. COMPLIANCE WITH LAWS

Krane Builders and Development, Inc. shall provide the Services in a workmanlike manner, and in compliance with all applicable federal, state and local laws and regulations, Including, but not limited to all provisions of the Fair Labor Standards Act, the Americans with Disabilities Act, and the Federal Family and Medical Leave Act.

4. WORK SITE

Joon H. Lee that Joon H. Lee owns the property herein described, free and Clear of any liens and encumbrances. Prior to the start of construction, Joon H. Lee shall provide an easily accessible building site, which meets all zoning requirements for the structure, and in which the boundaries of Swedish Covenant Hospital shall maintain these stakes in proper position throughout construction.

5. MATERIALS AND/OR LABOR PROVIDED

Krane Builders and Development, Inc. shall provide to Joon H. Lee with a List of each and every party furnishing materials and/or labor to Krane Builders and Development, Inc. as part of the Services, and the dollar amounts due or expected to be due with regards to provision of the Services herein described. This List of materials and/or labor shall be attached to this Contract as Exhibit A. Krane Builders and Development, Inc. declares, under the laws of the State of Illinois, that this List is a true and correct statement of each and every party providing materials and/or labor as part of the Services herein described.

6. PAYMENT SCHEDULE

Payment shall be made to UK & Krane Builders and Development, Inc., Niles, Illinois 60714. Swedish Covenant Hospital agrees to pay the sum of the amount as follows:

1. 50% - at the beginning of the project
2. 30% - after 30 days into the project
3. 20% - at the completion of the project

In addition to any other right or remedy provided by law, if Joon H. Lee fails to pay for the Services When due, Krane Builders and Development, Inc. has the option to treat such failure to pay as a material breach of this Contract, and may cancel this Contract and/or seek legal remedies.

7. OTHER PAYMENT PROVISIONS.

Carpentry, Electric, Plumbing, and Mechanical

8. TERM

Krane Builders and Development, Inc. shall commence the work to be performed within ___ days of __12/07/2013 and shall complete the work on or before ___/___/_____, 2014, time being of the essence of this contract.

9. CHANGE ORDER

Joon H. Lee may make change to the scope of the work from time to time during the term of this Contract. However, any such change or modification shall only be made in a written "Chang Order" which is signed and dated by both parties. Such Change Orders shall become part of this Contract. Joon H. Lee agrees to pay any increase in the cost of the Construction work as a result of any written, dated and signed Change Order. In the event the cost of a Change Order is not known at the time a Change Order is executed, Krane Builders and Development, Inc. shall estimate the cost thereof and Joon H. Lee shall pay the actual cost whether or not this cost is in excess of the estimated cost.

10. PERMITS

Joon H. Lee shall obtain all necessary building permits. Krane Builders and Development, Inc. shall apply for and obtain any other necessary permits and licenses required by the local municipal/county government to do the work, the cost thereof shall be Included as part of the Payment to Krane Builders and Development, Inc. under this Contract.

11. INSURANCE

Before work begin under this Contract, Krane Builders and Development, Inc. shall furnish certificates of insurance covering its full liability under the Worker's Compensation laws of the State of Illinois and shall furnish and maintain general liability insurance, and builder's risk insurance for injury to or death of a person or persons, and for personal injury or death suffered in any construction related accident and property damage incurred in rendering the services.

12. WORK PRODUCT OWNERSHIP

Any copyrightable works, ideas, discoveries, inventions, inventions, patents, products, or other information (collectively the "Work Product") developed in whole or in part by Krane Builders and Development, Inc. in connection with the Services will be the exclusive property of Joon H. Lee Upon request, Krane Builders and Development, Inc. will execute all documents necessary to confirm or perfect the exclusive ownership of Joon H. Lee to the Work Product.

13. CONFIDENTIALITY

Krane Builders and Development, Inc., and its employees, agents, or representatives will not at any time or in any manner, either directly or indirectly, use for the personal benefit of Krane Builders and Development, Inc., or divulge, disclose, or communicate in any manner, any information that is proprietary to Joon H. Lee. Krane Builders and Development, Inc. and its employees, agents, and representatives will protect such information and treat it as strictly confidential. This provision will continue to be effective after the termination of this Contract.

Upon termination of this Contract, Krane Builders and Development, Inc. will return to Joon H. Lee all records, notes, documentation and other items that were used, created, or controlled by Krane Builders and Development, Inc. during the term of this Contract.

14. INDEMNIFICATION

With the exception that this Section shall not to be construed to require indemnification by Krane Builders and Development, Inc. to a greater extent than permitted under the public policy of the State of Illinois, Krane Builders and Development, Inc. shall indemnify Joon H. Lee against, hold it harmless from and defend Joon H. Lee from all claims, loss, liability, and expense, including actual attorneys' fees, arising out of or in connection with Krane Builders and Development, Inc.'s Services performed under this Contract. This indemnity shall be provided even if Joon H. Lee is party responsible for the claim, damage, injury or loss, but Krane Builders and Development, Inc. shall not provide indemnity against claims or losses deemed to be caused by the sole negligence or willful misconduct of Joon H. Lee's agent's or employees.

15. WARRANTY

Krane Builders and Development, Inc. shall provide its services and meet its Obligations under this Contract in a timely and workmanlike manner, using knowledge and recommendations for performing the services which meet generally acceptable standards in Krane Builders and Development, Inc.'s community and region, and will provide a standard of care equal to, or superior to, care used by service providers similar to Krane Builders and Development, Inc.. on similar projects. Krane Builders and Development, Inc. shall construct the structure in conformance with the plans, specifications, and any breakdown and binder receipt signed by Krane Builders and Development, Inc. and Joon H. Lee.

16. FREE ACCESS TO WORKSITE

Joon H. Lee will allow free access to work areas for workers and vehicles and will allow areas for the storage of materials and debris. Driveways will be kept clear for the movement of vehicles during work hours. Krane Builders and Development, Inc. will make reasonable efforts to protect driveways, lawns, shrubs, and other vegetation. Krane Builders and Development, Inc. also agrees to keep the Worksite clean and orderly and to remove all debris as needed during the hours of work in order to maintain work conditions which do not cause health or safety hazards.

17. UTILITIES

Joon H. Lee shall provide and maintain water and electrical service, connect permanent electrical service, gas service or oil service, whichever is applicable, and tanks and lines to the building constructed under this Contract after an acceptable cover inspection has been completed, and prior to the installation of any inside wall cover. Joon H. Lee shall, at Joon H. Lee's expense, connect sewage disposal and water lines to said building prior to the start of construction, and at all times maintain sewage disposal and water lines during construction as applicable. Joon H. Lee shall permit Krane Builders and Development, Inc. to use, at no cost, any electrical power and water use necessary to carry out and complete the work.

18. INSPECTION

Joon H. Lee shall have the right to inspect all work performed under this Contract. All work that needs to be inspected or tested and certified by an engineer as a condition of any Government departments or other state agency, or inspected and certified by the local health officer, shall be done at each necessary stage of construction and before further construction can continue. All inspection and certification will be done at Joon H. Lee's expense.

19. DEFAULT

The occurrence of any of the following shall constitute a material default under this Contract:

- a. The failure of Swedish Covenant Hospital to make a required payment when due.
- b. The insolvency of either party or if either party shall, either voluntarily or involuntarily, become a debtor of or seek protection under Title 11 of the United States Bankruptcy Code,
- c. A lawsuit is brought on any claim, seizure, lien or levy for labor performed or materials used on or furnished to the project by either party, or there is a general

assignment, the benefit of creditors, application or sale for or by any creditor or government agency brought against either party.

- d. The failure of Joon H. Lee to make the building site available or the failure of Krane Builders And Development, Inc. to deliver the Services in the time and manner provided for in this Contract.

20. REMEDIED

In addition to any and all other rights a party may have available according to Law of the State of Illinois, if a party defaults by failing to substantially perform any provision, term or condition of this Contract (including without limitation the failure to make a monetary payment when due), the other party may terminate the Contract by providing written notice to the defaulting party. This notice shall describe with sufficient detail the nature of the default. The party receiving said notice shall have 30 days from the effective date of said notice to cure the default(s). Unless waived by a party providing notice, the failure to cure the default(s) within such time period shall result in the automatic termination of this Contract.

21. FORCE MAJEURE

If performance of this Contract or any obligation under this Contract is Prevented, restricted, or interfered with by cause beyond either party's reasonable control ("Force Majeure"), and if the party unable to carry out its obligations gives the other party prompt written notice of such event, then the obligations of the party invoking this provision shall be suspended to the extent necessary by such event. The term Force Majeure shall Include, without limitation, acts of God, fire, explosion, vandalism, storm, casualty, illness, injury, general unavailability of materials or other similar occurrence, orders or acts of military or civil authority, or by national emergencies, insurrections, riots, or wars, or strikes, lock-outs, work stoppages, or other labor disputes. The excused party shall use reasonable effort under the circumstances to avoid or remove such causes of non-performance and shall proceed to perform with reasonable dispatch whenever such causes are removed or ceased. An act or omission shall be deemed within the reasonable control of a party if committed, omitted, or caused by such party, or its employees, officers, agents, or affiliates.

22. ARBITRATION

Any controversy or claim arising out of or relating to this Contract, or the breach thereof, shall be settled by arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules (Including the Optional Rules for Emergency Measures of Protection), and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. During any arbitration proceedings related to this Contract, the parties shall continue to perform their respective obligations under this Contract.

23. ENTIRE PROPOSAL

This proposal contains the entire proposal of the parties, and there are no other promises or conditions in any other proposal whether oral or written concerning the subject matter of this proposal. This proposal supersedes any prior written or oral agreements between the parties.

24. SEVERABILITY

If any provision of this Contract will be held to be invalid unenforceable for any reason, the

remaining provisions will continue to be valid and enforceable. If a court finds that any provision of this Contract is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision will be deemed to be written, construed, and enforced as so limited.

25. AMENDMENT

This Contract may be modified or amended in writing, if the writing signed by the party obligated under the amendment.

26. GOVERNING LAW

This Contract shall be construed in accordance with, and governed by the laws of the State of Illinois, regardless of the choice of law provision of Illinois or any other jurisdiction.

27. NOTICE

Any notice or communication required or permitted under this Contract shall be sufficiently given if delivered in person or by certified mail, return receipt requested, to the address set forth in the opening paragraph or to such other address as one party may have furnished to the other in writing.

28. WAIVER OF CONTRACTUAL RIGHT

The failure of either party to enforce any provision of this Contract shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Contract.

29. SIGNATORIES

This Contract shall be signed on behalf of Joon H. Lee, owner and on behalf of Krane Builders and Development, Inc. by Michael, President and shall be effective as of the date first written above.

Owner:

Joon H. Lee

By:



Contractor:

Krane Builders and Development, Inc.

By:



Michael Kim