LETTER OF AGREEMENT

March 14th, 2020 Patrick McNeely Interiors 4004 Montrose Blvd Unit 34 Houston, TX 77006

(817) 897-7049 patrickmcneelydesign@gmail.com

PATRICK MCNEELY INTERIORS

Mr. and Mrs. Chang,

This letter is to confirm our agreement regarding the interior design services that Patrick McNeely Interiors will provide for your residence at 1274 Mossy Oak Lane, Bellaire, TX 77555. The scope of this project as discussed is limited to the renovation and design of the residence's kitchen and adjacent family room. Listed below are the services to be provided, as well as an acknowledgement of receipt and acceptance.

SCOPE OF DESIGN SERVICES

PROGRAMMING

- Meet with residents and contractor and determine space requirements, functional needs, project timeline, and target budget
- Measure existing spaces, take 'before' photos, and complete initial space study in person with team
- Inventory existing equipment and furnishings to be implemented into final design
- Prepare conceptual floor plans including furniture placement, general cabinet layout, and major design features
- Prepare preliminary furniture, fabric, color, lighting, and materials/finish selections along with mood board
- Prepare preliminary budget based on plans listed above
- Present layouts, material selections, sketches, and project budget/timeline with residents and contractor

DESIGN DEVELOPMENT

Incorporate feedback and requested changes from resident review meeting into design

- Finalize space plans showing locations of all furnishings, equipment, walls, lighting, cabinetry, etc.
- Finalize selections of all furniture, fabric, color, lighting, and materials/finishes
- Provide renderings or 3D models as desired by client
- Finalize budget for scope of project based on updated design
- Present final selections and project budget to residents for approval

CONTRACTS & PURCHASING

- After final approval of all plans, detailed construction and installation drawings are prepared as needed to successfully execute design scope
- Place material, lighting, furniture, and fabric orders on behalf of residents
- Coordinate shipping and warehousing of items ahead of installation

CONSTRUCTION & INSTALLATION

- Make periodic visits to residence during construction as needed for change orders, client and contractor questions, construction progress checks, and evaluation of design adherence.
- IMPORTANT NOTE: General Contractor (GC) takes full responsibility and liability for construction execution, quality, schedule, and workmanship. Interior Design services outlined within this contract are purely conceptual.
- Coordinate and execute final installation of furnishing, window treatments, and "finishing details"
- Prepare final punch list of items needing attention (if any) after installation

TERMS OF COMPENSATION

For the interior design services above, invoices will be sent based on client's purchasing of actual worked hours ahead of the time they are actually worked. An estimate is to be provided by Patrick McNeely Interiors to guide client in purchasing hours. The hourly rate for design services is a fixed fee of **\$150.00/hr**. Hours can be purchased at the discounted rates below if bought in "bulk" at a single time.

- 0 30 hrs: 0% discount
- 30 40 hrs: 10% discount
- 40 50 hrs: 20% discount
- **50+ hrs:** 25% discount

If within 16 hours of expiry, client to be notified immediately. Project to temporarily pause without purchase of more hours if required by project.

In addition, clients will be billed for furniture, lighting, fabric, material, etc. purchases on a **bi-weekly basis** per the terms below:

- Furniture: Retail less 10%, plus retail shipping, fees, and taxes
- Lighting: Retail less 10%, plus retail shipping, fees, and taxes
- Fabric: Retail less 10%, plus retail shipping, fees, and taxes
- **Subcontract Labor:** Retail plus 10% sourcing fee
 - Examples include upholstery and sewing services, custom artwork, specialty lighting consultations, etc.

IMPORTANT NOTE: Items are only eligible for retail discount listed above if purchased through Patrick McNeely Interiors and are eligible for to-the-trade designer discounts. Otherwise, items are charged <u>at retail</u> <u>price</u>.

GENERAL CONDITIONS

- Patrick McNeely Interiors is not responsible for the workmanship, quality, or final appearance of products should client purchase products other than those specified
- Patrick McNeely Interiors is not responsible for the workmanship, quality, or final appearance of products due to manufacturer defects, damage in shipping, or related. Patrick McNeely Interiors will consult with clients and associated vendors to remedy this should the situation arise.
- Patrick McNeely Interiors is not responsible for construction quality or building code compliance; this is the responsibility of those

performing the work and/or the General Contractor (GC). The client is not obligated to select the contractors or tradesmen recommended by Patrick McNeely Interiors for the project.

- Patrick McNeely Interiors is not responsible if the client or General Contractor make changes to the project without notification to the designer.
- Patrick McNeely Interiors reserves the right to photograph the client's home before and after the project is completed. The firm has the right to use these photographs for business purposes.
- This proposal may be terminated by either party upon (10) business days of written notice. In the event of termination by the client, Patrick McNeely Interiors shall be paid for all services and purchases due up to the date of termination. Cancellation of orders are subject to the cancellation policies of the specific vendors.
- Drawings, specifications, sample boards, and general design concept is the property of Patrick McNeely Interiors. The firm reserves exclusive copyright to these items, and are provided for use to the client on this project only. Reproduction or reuse of drawings, specifications, or sample boards is prohibited without written consent from the firm.
- This offer as outlined stands for (10) business days. All outlined services, terms, and conditions are based on timely completion of this contract within this timeframe.

Approval of this proposal as outlined is signified by your signature in the space below. When Patrick McNeely Interiors receives a signed copy of this proposal along with a retainer check of \$1,000, work will commence on this project.

Patrick McNeely Interiors would like to thank you for the opportunity to submit this proposal for interior design services. Making your space beautiful is hard work, and we are delighted to be with you along the journey.

Sincerely,

Patrick McNeely Interiors	Authorized:
Owner	Maria Chang
Date	Victor Chang

Date