

FOREST CARPENTRY

A trade name of Authentic Express Handyman LLC

Wake Forest, NC 27587

(984) 237-6066 · hello@forestcarpentrync.com · forestcarpentrync.com

Fully Insured · General Liability \$1,000,000

SERVICE AGREEMENT

CONTRACTOR

NAME

Forest Carpentry

ADDRESS

Wake Forest, NC 27587

PHONE

(984) 237-6066

EMAIL

hello@forestcarpentrync.com

CLIENT

NAME

SERVICE ADDRESS

PHONE

EMAIL

CONTRACT #

CONTRACT DATE

SCHEDULED START DATE

OFFER EXPIRY DATE

SCHEDULE(S) ATTACHED

This contract is void if not signed and returned to Contractor by the Offer Expiry Date.

PART A: GENERAL TERMS

Part A applies to all work Contractor performs for Client. The work itself is described in Part B and the attached Schedule(s).

A1 PAYMENT TERMS

A1.1 Deposit

A deposit equal to fifty percent (50%) of the total contract value is due at the time of contract signing. Work will not be scheduled or commenced until the deposit has been received and cleared.

A1.2 Balance

The remaining balance is due upon project completion, following the final walkthrough. Payment is due before Contractor vacates the property on the final day of work. If Client is unavailable for a walkthrough within two (2) business days of project completion, the balance becomes due regardless.

A1.3 Accepted Payment Methods

Contractor accepts the following payment methods:

- Cash

- Personal or business check — made payable to Authentic Express Handyman LLC
- Credit or debit card — a three percent (3%) processing surcharge will be added to the transaction amount

Payment by check is subject to clearance. Contractor reserves the right to delay scheduling if a deposit check is returned unpaid.

A1.4 Sales Tax

North Carolina taxes construction work differently depending on what the work is. Work that constitutes a **capital improvement to real property** (G.S. § 105-164.3(31)), performed under a real property contract (G.S. § 105-164.3(207)), is not subject to sales tax on the gross receipts of the contract; Contractor instead pays sales tax on materials at the time of purchase. Work that constitutes **repair, maintenance, and installation (RMI) services** (G.S. § 105-164.4H) is subject to sales tax.

The classification applicable to this project is stated in the attached Schedule, or in Client's written quote where no Schedule applies. Where the work is a capital improvement, Client will be asked to sign NC Form E-589CI (Affidavit of Capital Improvement) prior to the start of work; this form documents the classification and is required to be kept on file by Contractor in accordance with NCDOR guidance.

A single project may include both classifications — for example, a capital improvement with add-on installations that do not themselves qualify. Where any part of the work is subject to sales tax, Contractor will identify it and the applicable tax in the quote or in the applicable Change Order before that work begins.

Client should consult a qualified tax professional for guidance specific to their situation. This clause does not constitute legal or tax advice.

A1.5 Late Payment & Nonpayment

If the balance is not paid upon completion, Contractor reserves the right to withhold warranty services until payment is received in full.

Any unpaid balance remaining more than five (5) business days after project completion will accrue interest at the rate of one and one-half percent (1.5%) per month (18% per annum) until paid in full.

If an unpaid balance is referred to a collection agency or pursued through legal proceedings, Client will be responsible for all reasonable collection costs in addition to the principal and accrued interest.

A1.6 Returned Check Fee

A returned check fee of \$35.00 will be charged for any check returned unpaid by the bank, in addition to any applicable bank fees incurred by Contractor. Contractor reserves the right to require future payments in cash or by card if a check is returned.

A1.7 Court Costs

If Contractor prevails in any legal proceeding to recover amounts owed under this contract, Client will be responsible for Contractor's filing fees and court costs in addition to the amount owed. This provision is separate from and in addition to Section A5.3 regarding attorney's fees.

A2 CHANGE ORDERS & UNFORESEEN CONDITIONS

A2.1 Change Order Requirement

Any change to the contracted scope of work — including additions, deletions, or modifications — requires a written Change Order signed by both parties before the change is implemented. No verbal agreements will be binding. Change Orders will specify the nature of the change, any adjustment to the contract price, and any impact on the project timeline.

A2.2 Unforeseen Conditions

If Contractor discovers a condition not visible or known at the time of the initial consultation that materially affects the scope or cost of the project, Contractor will:

- Stop work immediately on the affected area
- Document the condition
- Notify Client within one (1) hour of discovery
- Provide a written Change Order describing the condition, proposed resolution, and adjusted cost

Work on the affected area will not resume until Client signs the Change Order. Work on unaffected areas may continue at Contractor's discretion.

A2.3 Client Refusal of Change Order

If Client declines to sign a Change Order for an unforeseen condition that makes completion of the original scope impossible or unsafe, the project will be closed. Client will owe the amount corresponding to the percentage of work completed at the time of stoppage, as determined by the applicable milestone schedule. No further work will be performed and the warranty will not apply to incomplete work.

A3 CANCELLATION POLICY

A3.1 Cancellation by Client

Client may cancel this contract under the following terms:

- **7 or more calendar days before the scheduled start date:** Full refund of deposit. No cancellation fee.
- **Fewer than 7 calendar days before the scheduled start date, but before work has begun:** 5% cancellation fee of the total contract value is deducted from the deposit. Remainder of deposit is refunded within five (5) business days.
- **After work has begun, before the final milestone:** Client owes the percentage of the total contract value corresponding to the last completed milestone, as set out in the milestone schedule in the applicable Schedule. Deposit is applied toward this amount. If the amount owed exceeds the deposit, Client pays the difference within five (5) business days. If the deposit exceeds the amount owed, Contractor refunds the difference within five (5) business days.
- **After the final milestone:** Full contract value is owed regardless of whether the final walkthrough has occurred.

Where no milestone schedule applies to the work, the percentage of work completed will be determined by Contractor in good faith and set out in writing to Client.

A3.2 Cancellation by Contractor

Contractor may cancel this contract under the following terms:

- **Before materials have been ordered:** Full refund of deposit within five (5) business days. No further obligation.
- **After materials ordered but before work has begun:** Full refund of deposit within five (5) business days. Contractor retains purchased materials.
- **After work has begun:** Contractor completes work to a reasonable stopping point and refunds the deposit less the value of work completed per the applicable milestone schedule. Contractor provides Client with a written account of work performed. This provision does not apply where cancellation results from Client's breach of this contract.

A4 CLIENT RESPONSIBILITIES

Client is responsible for the following prior to and throughout the project:

- Providing Contractor with unobstructed access to the work site each working day during agreed working hours (8:00 AM – 4:00 PM, Monday through Friday)

- Ensuring the work area is ready and accessible on the scheduled start date and on each subsequent working day for the duration of the project
- Keeping all pets and children away from the work area during working hours
- Being present or having a designated representative available on the first day of work to confirm project details and grant access
- Promptly responding to any communications from Contractor regarding Change Orders or unforeseen conditions

If the job site is not accessible on any working day, a site inaccessibility fee of \$200.00 per calendar day will apply. This fee will be added to the contract balance due.

A5 INSURANCE & LIMITATION OF LIABILITY

A5.1 Insurance

Contractor carries General Liability insurance with a coverage limit of \$1,000,000 per occurrence. Proof of insurance is available upon request.

A5.2 Limitation of Liability

Contractor's total liability to Client under this contract, for any claim or cause of action, shall not exceed the total contract value paid by Client to Contractor. In no event shall Contractor be liable for indirect, incidental, consequential, or punitive damages of any kind.

A5.3 Attorney's Fees

Each party is responsible for their own attorney's fees and legal costs in connection with any dispute arising under this contract, except where a court of competent jurisdiction orders otherwise.

A5.4 Lien Waiver

Upon receipt of full payment of the total contract value, Contractor waives any right to file a mechanic's lien or materialman's lien against the property at the Service Address in connection with work performed under this contract.

A6 DISPUTE RESOLUTION

In the event of a dispute arising under or relating to this contract, the parties agree to the following process in order:

- | | |
|--------------------------------|--|
| Good Faith Negotiation: | The parties will first attempt to resolve the dispute through direct, good faith negotiation within thirty (30) calendar days of written notice of the dispute. |
| Mediation: | If negotiation does not resolve the dispute, the parties will submit to non-binding mediation with a mutually agreed mediator in Wake County, NC. Costs of mediation will be shared equally between the parties. |
| Civil Court: | If mediation fails, either party may pursue the matter in Wake County civil or small claims court, as appropriate to the amount in dispute. |

This contract is governed by the laws of the State of North Carolina. Venue for any legal proceedings shall be Wake County, North Carolina.

A7 PHOTO & MARKETING RELEASE

By signing this contract, Client grants Contractor permission to photograph the project — including the work site before, during, and after completion — and to use those photographs for marketing purposes, including but not limited to the Contractor's website, social media, printed materials, and advertising.

Client's name, address, and personally identifying information will not be published without separate written consent. Photographs will be used solely to depict the quality of Contractor's work.

A8 WORKMANSHIP WARRANTY

A8.1 Coverage

Contractor warrants all labor and installation performed under this contract against defects in workmanship for a period of one (1) year from the date of the final walkthrough. This warranty covers any failure directly and demonstrably caused by Contractor's workmanship. The attached Schedule may list examples specific to the work performed; those examples are illustrative and do not limit this warranty.

A8.2 Exclusions

This warranty does not cover:

- Damage caused by moisture, water intrusion, humidity, or flooding
- Modifications, repairs, or alterations made by Client or any third party after project completion
- Normal wear and tear
- Manufacturer defects in materials
- Damage caused by Client's failure to maintain the space in a reasonable condition

A8.3 Making a Claim

To make a warranty claim, Client must contact Contractor at (984) 237-6066 or hello@forestcarpentrync.com within the warranty period, describing the defect in reasonable detail. Contractor will respond within five (5) business days to schedule an inspection. If the defect is covered under this warranty, Contractor will repair it at no charge within a reasonable timeframe. Warranty service may be withheld if any balance due under this contract has not been paid in full.

A9 GENERAL PROVISIONS

Entire Agreement:	This contract — including Part A, Part B, and any attached Schedule — constitutes the entire agreement between the parties with respect to the subject matter herein and supersedes all prior verbal or written representations or understandings.
Amendments:	No amendment to this contract is valid unless made in writing and signed by both parties.
Severability:	If any provision of this contract is found to be unenforceable, the remaining provisions will continue in full force and effect.
Offer Validity:	This contract is void if not signed by Client and returned to Contractor by the Offer Expiry Date. Contractor's pricing is not guaranteed beyond that date.
Working Hours:	Contractor's standard working hours are 8:00 AM to 4:00 PM, Monday through Friday. Work will not be performed outside these hours without prior written agreement.
Subcontractors:	Contractor may engage subcontractors at their discretion for specialized work. Contractor remains responsible for the quality of all work performed under this contract regardless of who performs it.
Conflict:	Where an attached Schedule conflicts with Part A, the Schedule governs for the work it describes. Part A governs in all other respects.

PART B: SCOPE OF WORK

The work Contractor will perform is described in the Schedule(s) attached to and forming part of this contract, together with any written quote provided to Client. Where no Schedule applies to the work, the written quote governs scope, price, and timeline, and Part A applies in full.

Schedules in use by Contractor at the date of this contract:

- **Schedule G — Garage Finishing.** Flat-rate insulation, drywall, and paint for a standard garage.

Additional Schedules may be introduced by Contractor for other trades. Only the Schedule(s) identified on page 1 and attached to this contract apply to this project.

SCHEDULE G: GARAGE FINISHING

This Schedule forms part of the Service Agreement between the parties and applies only where identified on page 1. Part A (General Terms) applies to this work in full.

G1 WHAT'S INCLUDED

The base package price covers all labor and materials necessary to complete the following work on the garage at the Service Address:

- Supply and installation of R-15 batt insulation on all applicable wall surfaces
- Supply and installation of 1/2" drywall — hanging, taping, mudding, and finish coating to a smooth, paint-ready surface on all walls including the garage door wall
- Supply and installation of flat ceiling drywall
- Application of Sherwin-Williams interior paint in up to two (2) colors selected by Client from the Sherwin-Williams palette. Colors must be confirmed before the scheduled start date
- Installation of case moulding on one (1) interior door and up to one (1) window
- Complete job site cleanup and debris removal upon project completion
- One (1) year workmanship warranty on all labor and installation — see Section A8

G2 WHAT'S NOT INCLUDED

The following are expressly excluded from this contract and will not be performed without a separate written agreement:

- Electrical work of any kind, including wiring, outlets, switches, panels, or fixtures
- Plumbing or HVAC work of any kind
- Structural repairs, framing corrections, or load-bearing modifications
- Mold remediation or water damage repair
- Removal of existing drywall, insulation, or other existing wall materials
- Custom or specialty finishes beyond standard drywall finish and paint
- Crown moulding, baseboard, or any trim beyond the case moulding described in Section G1
- Finished flooring of any kind
- Any work outside the garage structure

If any excluded condition is discovered during the project, Contractor will follow the Change Order procedure in Section A2.

G3 ELIGIBILITY, TIMELINE & SITE REQUIREMENTS

G3.1 Eligibility

The flat-rate base package price applies only to garages meeting all of the following conditions. If any condition is not met, Contractor reserves the right to renegotiate pricing, decline the project, or address the condition via Change Order:

- Standard two-car garage with a maximum floor area of 500 square feet
- Ceiling height does not exceed ten (10) feet at any point
- Existing structure is in good condition — no active water damage, mold, or rot
- Standard framing and layout — no custom configurations
- Located within the Contractor's service area: Wake Forest, Rolesville, Youngsville, Raleigh, and Northeast Wake County, NC

Eligibility is confirmed at the free consultation visit prior to contract signing. If a disqualifying condition is discovered after work has begun, Contractor will follow the Change Order procedure in Section A2.

G3.2 Timeline

Contractor will make reasonable efforts to complete all work within two (2) weeks of the scheduled start date. In no event will the project extend beyond three (3) weeks from the scheduled start date, except in cases of force majeure — including severe weather, natural disaster, material supply disruption, illness, or other events beyond Contractor's reasonable control. Contractor will notify Client promptly of any such delay and provide a revised completion estimate.

G3.3 Site Requirements

In addition to the general client responsibilities in Section A4, the following apply specifically to garage finishing projects:

- Unless the garage clearing add-on has been contracted, the garage must be completely cleared of all vehicles, personal property, and storage items before the scheduled start date. Contractor will not begin work in an uncleared garage
- The driveway and immediate garage area must remain accessible for Contractor's work vehicle and material deliveries throughout the project
- Paint colors must be selected and confirmed with Contractor before the scheduled start date

G4 PROJECT MILESTONES

For the purposes of this contract — including cancellation calculations under Section A3 — project completion is measured by the following milestone schedule. Milestones are assessed by Contractor based on the state of the work at the time of cancellation or stoppage.

MILESTONE	% OF CONTRACT VALUE
Site prepped and materials delivered to job site	20%
Insulation fully installed on all applicable wall surfaces	40%
All drywall hung	60%
Drywall taped, mudded, and finish-coated	80%
Paint applied to all surfaces	90%
Trim installed — project complete	100%

Milestone percentages are used solely to calculate the amount owed in the event of cancellation or stoppage. They do not constitute separate payment triggers.

G5 TAX CLASSIFICATION

The base garage finishing work under this Schedule constitutes a capital improvement to real property under North Carolina General Statute § 105-164.3(31), performed under a real property contract as defined in G.S. § 105-164.3(207). No sales tax is charged to Client on the gross receipts from that work, and Contractor pays sales tax on all materials at the time of purchase from suppliers. Client will be asked to sign NC Form E-589CI (Affidavit of Capital Improvement) prior to the start of work.

Certain add-on services — including but not limited to shelving, cabinet installation, and other personal property installations — may not qualify as capital improvements and may be subject to sales tax as repair, maintenance, and installation (RMI) services under G.S. § 105-164.4H. If any add-on is subject to sales tax, Contractor will notify Client in the applicable Change Order prior to the work beginning. See Section A1.4.

G6 WARRANTY — EXAMPLES FOR THIS WORK

The one (1) year workmanship warranty in Section A8 applies to this work. For garage finishing it covers, by way of example:

- Drywall seam failure or visible cracking attributable to improper installation
- Fastener pops attributable to improper fastening technique
- Paint adhesion failure attributable to improper surface preparation or application

The exclusions and claim process in Sections A8.2 and A8.3 apply.

G7 ADD-ONS

The following add-on services are available and may be added to this contract by written Change Order prior to or during the project. Prices are determined by Contractor on a case-by-case basis and must be agreed to in writing before the relevant work begins. No add-on work will commence without a signed Change Order.

- Garage clearing and hauling — including coordination with PODS or other storage solutions
- Ceiling insulation
- Insulation upgrade beyond R-15
- Garage floor area over 500 sqft — priced per square foot over the base limit
- Ceiling height over 10ft
- Shelving and cabinet installation
- Additional paint colors beyond two (2)
- Premium or specialty drywall

Add-ons not listed above may be considered at Contractor's discretion and will be quoted and confirmed via written Change Order.

G8 PRICING

BASE PACKAGE — STANDARD GARAGE FINISHING	FLAT RATE	\$7,500.00
R-15 batt insulation on all applicable wall surfaces	Included	—
Drywall — hang, tape, mud & finish (1/2")	Included	—
Flat ceiling drywall	Included	—
Sherwin-Williams interior paint — up to 2 colors	Included	—
Case moulding — 1 door + up to 1 window	Included	—
Complete cleanup & debris removal	Included	—
1-year workmanship warranty	Included	—
ADD-ONS (PRICES SET PER CHANGE ORDER)	NOTES	PRICE
Garage clearing & hauling (incl. PODS coordination)		\$
Ceiling insulation		\$
Insulation upgrade beyond R-15		\$
Garage over 500 sqft (per sqft over limit)		\$
Ceiling height over 10ft		\$
Shelving & cabinet installation		\$
Additional paint colors (beyond 2)		\$
Premium / specialty drywall		\$
		\$
		\$
Total contract value		\$
Deposit due at signing (50%)		\$
Balance due on completion		\$

All add-on prices are determined by Contractor on a case-by-case basis and must be confirmed via signed Change Order before work begins.

ACCEPTANCE OF CONTRACT

By signing below, both parties confirm they have read, understood, and agreed to all terms and conditions set forth in this contract, including Part A (General Terms), Part B (Scope of Work), and any Schedule attached and identified on page 1. Client acknowledges that:

- The deposit is due at the time of signing
- Work will not be scheduled until the deposit has cleared
- This contract is void if not signed and returned by the Offer Expiry Date
- The offer price is not guaranteed beyond the Offer Expiry Date
- Where the work is classified as a capital improvement, Client will be asked to complete NC Form E-589CI (Affidavit of Capital Improvement) prior to the start of work

CONTRACTOR

NAME

Forest Carpentry

TITLE

SIGNATURE

DATE

CLIENT

NAME

DATE

SIGNATURE

A signed copy of this contract will be provided to Client upon execution.

*Forest Carpentry · A trade name of Authentic Express Handyman LLC · forestcarpentrync.com · Wake Forest, NC
(984) 237-6066 · hello@forestcarpentrync.com · General Liability Insured \$1,000,000*