

Michigan State Housing Development Authority

Project Liberty

Request for Proposals

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MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY

REQUEST FOR PROPOSALS

DATE OF ISSUE: April 1, 2014

TO: Potential Providers of Services

RE: Request for Proposals to rehabilitate (11) single family units in the City of Hamtramck to be known as Project Liberty

PLEASE NOTE: Proposals submitted under this RFP will only be accepted from Bidders that RSVP for the bidders' meeting and site visit with their name and contact information by April 7, 2014 and attend the bidder's meeting and site tour scheduled to be held April 11, 2014 from 9:00am to 4:00pm at 8625 Joseph Campau, Hamtramck, MI. Interested Bidders will have the opportunity to tour the 11 rehab sites and ask specific architectural questions. Any proposals received from Bidders that do not RSVP by April 7, 2014 and attend the bidder's meeting and site tour on April 11, 2014 will not be accepted.

Background:

The Authority (also referred to herein as "MSHDA") acted as the lead agency for the Michigan NSP2 Consortium (herein called "Consortium") that applied for and received awarded funds from the United States Department of Housing and Urban Development (herein called "HUD") for a Neighborhood Stabilization Program II, which is referred to herein as "NSP2."

Asset Management Non Profit Housing Corporation III ("Owner") is engaging the Contractor to complete the rehabilitation of 11 residential properties (the "Properties") located in the City of Hamtramck using (i) a portion of the NSP2 award in accordance with applicable notices, regulations and guidance from HUD, and (ii) certain other funds to be made available by the Authority. The Properties are identified and described in **Exhibit (H) on page 84**.

The City Of Hamtramck is required to facilitate the construction of 200 units of affordable, single family homes within Hamtramck pursuant to orders entered in the matter Garrett, et al. v. The City of Hamtramck, et al., U.S. District Court case # 68-32004 (such case being hereinafter referred to as "Garrett"). The Properties rehabilitated pursuant to the Contract are intended to partially satisfy those orders and, therefore, administration of the Contract may be subject to orders of the U.S. District Court.

In accordance with the Orders entered in the Garrett case, the Properties rehabilitated pursuant to the Contract will initially be made available only to the plaintiffs in the Garrett case (the "Plaintiff Class").

Compliance with all of the requirements imposed by the U.S. District Court in the Garrett case are essential elements of the Contract, and are binding upon the Contractor.

I. Services Sought by Authority:

The Michigan State Housing Development Authority ("Authority" or "MSHDA") controls an entity named Asset Management Non Profit Housing Corporation III ("Owner") and is seeking an organization authorized to do business in Michigan to assist the Authority in completing the Project Liberty development. A detailed description of the work is described in the Scope of Work, which is attached and incorporated into this Request for Proposals ("RFP") as **Exhibit A**.

PROPOSALS FROM SOLE PROPRIETORS WILL NOT BE ACCEPTED

II. Required Qualifications:

The Authority has identified the following qualifications that it believes are necessary for the successful performance and completion of the services described in **Exhibit A - Scope of Work**. The Bidder/contractor must:

- A. Have experience providing the services described in the Scope of Work or similar services:
 - 1. Construction management and supervision.
 - 2. The design process and build-out of rehab residential structures.
 - 3. The construction draw process, including coordinating draw requests with subcontractors, obtaining the appropriate lien waiver documentation, coordinating sworn statements, submitting documentation requesting draws, coordinating relevant inspections, and ensuring that construction is completed in accordance with all rules and regulations of governing bodies as well as to the satisfaction of any rules and regulations of the Authority, and to the satisfaction of the buyer.
- B. Assign experienced personnel to perform the services or have personnel supervised by experienced staff.
- C. Have the following certifications **OR** have assigned personnel with the following certifications.
 - 1. Licensed general contractor/builder in the State of Michigan
 - 2. Certified Public Accountant
- D. Be a Michigan entity (limited partnership, limited liability company, for profit corporation or non-profit corporation), or an out-of-state entity authorized to do business in the State of Michigan. Provide organizational documents, including all certificates and amendments. For non-profits, provide evidence of 501(c)(3) status from the IRS. The Bidder will be required to submit:
 - 1. A Certificate of Authority to Transact Business issued by the Department of Licensing and Regulatory Affairs (LARA) if entity is foreign/non-Michigan; and

2. A Certificate of Good Standing for a Michigan entity dated within the last 30 days.
- E.** Have an office or a registered agent in the State of Michigan.
- F.** Have phone, internet, and e-mail access. Internet and e-mail access must be adequate enough to allow the Bidder to receive, download and upload data, files and attachments from Authority staff.
- G.** Agree to satisfy the following requirements prior to the execution of the contract with the Authority:
1. Indemnify, defend and hold harmless the Authority and, their Board, officers, employees and agents, from and against all losses, liabilities, penalties, fines, damages and claims (including taxes), and all related costs and expenses (including attorneys' fees and disbursements and costs of investigation, litigation, settlement, judgments, interest and penalties), arising from or in connection with any of the following:
 - a. any claim, demand, action, citation or legal proceeding against the Authority, its employees and agents arising out of or resulting from (1) the services provided ("Services") or (2) performance of the Services, duties, responsibilities, actions or omissions of the Bidder or any of its subcontractors under an awarded contract.
 - b. any claim, demand, action, citation or legal proceeding against the Authority, its employees and agents arising out of or resulting from a breach by the Bidder of any representation or warranty made by the Bidder in an awarded contract.
 - c. any claim, demand, action, citation or legal proceeding against the Authority, its employees and agents arising out of or related to occurrences that the Bidder is required to insure against as provided for in an awarded contract.
 - d. any claim, demand, action, citation or legal proceeding against the Authority, its employees and agents arising out of or resulting from the death or bodily injury of any person, or the damage, loss or destruction of any real or tangible personal property, in connection with the performance of services by the Bidder, by any of its subcontractors, by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable; provided, however, that this indemnification obligation shall not apply to the extent, if any, that such death, bodily injury or property damage is caused solely by the gross negligence or reckless or intentional wrongful conduct of the Authority.
 - e. any claim, demand, action, citation or legal proceeding against the Authority, its employees and agents which results from an act or omission of the Bidder or any of its subcontractors in its or their capacity as an employer of a person.

- f. any action or proceeding threatened or brought against the Authority to the extent that such action or proceeding is based on a claim that any piece of equipment, software, commodity or service supplied by the Bidder or its subcontractors, or the operation of such equipment, software, commodity or service, or the use or reproduction of any documentation provided with such equipment, software, commodity or service infringes any United States or foreign patent, copyright, trade secret or other proprietary right of any person or entity, which right is enforceable under the laws of the United States.
- 2. Maintain and provide evidence, satisfactory to the Authority, of the following insurance coverage:
 - a. General Liability Insurance for \$1,000,000 with the Authority shown as additional insured;
 - b. Errors and Omissions Insurance for \$1,000,000 for each occurrence and \$1,000,000 annual aggregate; and
 - c. Worker's Compensation Insurance (if required under state law). Any citing of a policy of insurance must include a listing of the States where that policy's coverage is applicable.
- H. Agree to execute a contract acceptable to the Director of Legal Affairs. **For purposes of illustration only**, a Sample Contract is attached and incorporated into this RFP as Exhibit H for your convenience.
- I. The selected contractor must meet all existing Authority financial capacity requirements and have financial capacity that is determined acceptable to the Chief Housing Investment Officer of the Authority.

III. Submitting Proposal:

Bidders wishing to submit proposals must submit one (1) original and three (3) copies of a proposal to provide the services described in **Exhibit A** - Scope of Work attached and incorporated into this RFP. Submitted proposals must respond to and address the questions listed in **Exhibit B** - Proposal Instructions and Selection Criteria attached and incorporated into this RFP.

Firms wishing to submit proposals must also submit the Certificate Verifying Key Persons attached and incorporated into this RFP as **Exhibit C**, as well as the documentary information outlined in the Organization Background Checklist attached and incorporated into this RFP as **Exhibit D**.

The due date for the Authority's receipt of the proposals responding to this RFP is **April 22, 2014** at 4 p.m.

The Authority shall not be liable for any costs that a firm or individual may incur while preparing a proposal. The Authority shall not be liable for any costs that a firm or individual may incur prior to the complete execution of a contract. If the Authority enters into a contract, the Authority's consideration (payment) shall be limited to the term of the contract.

IV. Communications with Authority Staff Prior to Selection of Proposal

Any questions raised by Bidders concerning the RFP must be submitted in writing via mail, email or fax. Submit questions using the subject line ***Project Liberty - RFP*** to the attention of:

James Davis
Michigan State Housing Development Authority
735 E. Michigan Avenue
Lansing, Michigan 48912

E-mail: davisj4@michigan.gov
Fax: (517) 335-6565

To ensure a fair and impartial process, non-written questions concerning the RFP will not be addressed by Authority staff. **Phone calls involving the RFP or related questions will not be accepted.** Firms submitting bids shall not contact any Board members or Authority staff except James "Jim" Davis.

The Authority will hold a bidder's meeting and site tour for interested parties on **April 11, 2014 from 9:00am to 4:00pm.** Any parties that wish to attend the bidder's meeting and site tour on **April 11, 2014** are required to RSVP via email to Jim Davis by **April 7, 2014 by 4pm.** The bidder's meeting and site tour will allow interested parties the opportunity to tour the sites and ask specific architectural questions. **PLEASE NOTE:** in order to submit a proposal under this RFP, interested parties must RSVP for the bidder's meeting and site tour by **April 7, 2014** and attend the bidder's meeting and site tour on **April 11, 2014.** Proposals from interested parties that have not sent an RSVP by **April 7, 2014 by 4pm** and attended the bidder's meeting and site tour on **April 11, 2014** will not be accepted.

All other communications with Jim Davis must be received in writing by April 17, 2014. The Authority will answer all questions received by **April 18, 2014.** The Authority will hold no other question sessions or bidder's conferences other than the bidder's meeting and site tour on **April 11, 2014** as noted above. All questions and answers related to this RFP will be supplied to firms that attend the open house and provide **Jim Davis** with notification of their intent to submit a proposal.

If, prior to the proposal deadline, the Authority deems it necessary to provide additional clarifying information, or to revise any part of the RFP, supplements or revisions will be provided to all firms who have indicated they will submit a proposal. Proposals will then be evaluated based on the terms and conditions of the RFP, any supplements or revisions to the RFP, and the answers to any written questions.

V. Selection of Proposal:

The Authority will select the proposal based on the Proposal Instructions and Selection Criteria, which are set forth in **Exhibit B** attached and incorporated into this RFP. Prior to making a final selection, the Authority will schedule oral presentations/interviews with any or all of the Bidders in order to further clarify aspects of the proposal(s). These oral presentations/interviews will be held on April 29, 2014. The Bidder(s) selected to participate in these oral presentations/interviews will be contacted no later than April 28, 2014 by the Authority to schedule a time.

VI. Michigan Freedom of Information Act

Documents submitted to the Authority shall be subject to the Michigan Freedom of Information Act ("FOIA"). In the event a request for submitted documents is made to the Authority, the Authority's FOIA Coordinator will redact or withhold information and/or documents that are exempt from disclosure under FOIA. See *MCL 15.243 et seq.* Please note that any requests by non-MSHDA personnel to review proposals will be denied until the deadline for submission of the bids has expired. See *MCL 15.243(1)(i)*.

Please submit FOIA requests to the Authority as follows:

MSHDA
c/o Jon Stuckey
FOIA Coordinator
735 E. Michigan Avenue
Lansing, MI 48912

VII. Payments to Pensioned Retirees

2007 PA 95, MCL 38.68c requires retirees of the State Employees Retirement System ("Pensioned Retirees") who become employed by the State either directly or indirectly through a contractual arrangement with another party on or after October 1, 2007 to forfeit their respective state pensions for the duration of their reemployment. Accordingly, any pensioned retiree who provides or renders services pursuant to the contract for which bids will be made under this RFP shall be required to forfeit his or her pension during the term of the contract.

Bids must acknowledge and confirm whether pensioned retirees will render services under the contract being sought through this bid. If the Bidder intends to use a pensioned retiree, the bidder must submit written confirmation from the pensioned retiree that he or she agrees to forfeit his or her pension during the term of the contract, if awarded. If awarded a contract, the bidder must submit a copy of the pensioned retiree's directions to the State of Michigan's Office of Retirement Services ("ORS") to withhold the retiree's pension payments until the end of the contract term by having the pensioned retiree complete the form attached and incorporated into this RFP as **Exhibit G**.

VIII. Key Personnel

Bids must acknowledge and identify certain key personnel who will be performing services pursuant to an awarded contract and (a) sign the contract on behalf of the Contractor and/or (b) are listed in the form attached and incorporated into this RFP as **Exhibit C**.

Exhibit A



**MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
REQUEST FOR PROPOSAL**

EXHIBIT A

SCOPE OF WORK

I. Overview

**PERFORMANCE CONSTRUCTION SPECIFICATIONS
FOR REHABILITATION OF SINGLE FAMILY HOMES**

PROJECT LIBERTY
Hamtramck, Michigan

ASSET MANAGEMENT NON-PROFIT HOUSING CORPORATION

III

Owner

Jim Davis, MSHDA
Project Manager

Steven C. Flum, Inc.
Architect

Each home to be renovated is different in the scope of work. These construction specifications are performance based and are to represent a typical renovation. All comments and or questions should be directed to the Project Manager.

LIST OF HOUSES

<u>House #</u>	<u>Street</u>	<u>Energy Star</u>	<u>Lead Cert.</u>	<u>First Flr.</u>	<u>Second Flr.</u>	<u>Basement</u>	<u>Attic</u>
2314	Burger	X	O	888	888	584	400
2689	Pulaski	X	O	785	785	488	400
11392	St. Aubin	O	O	804	340	110	0
11399	St. Aubin	X	O	954	954	936	450
11417	St. Aubin	X	X	954	954	579	450
11423	St. Aubin	X	X	864	648	864	0
11663	St. Aubin	O	O	836	836	0	400
12012	St. Aubin	O	X	1162	1162	608	0
12033	St. Aubin	O	X	922	525	462	0
11650	Nagel	O	X	902	435	109	0
11676	Lumpkin	O	X	1087	660	540	0

X – Energy Star and Lead Certifications have been obtained on these homes
 O – Energy Star and Lead Certifications have NOT been obtained and is a requirement of the Contractor to secure these certifications.

DIVISION 1 - GENERAL REQUIREMENTS

1. GENERAL CONDITIONS

The Contractor and all sub-contractors are to comply with AIA Document A201 General Conditions, 1997 Edition. They must also comply with Michigan Residential Code 2009 and all local and county regulations and guidelines.

2. SUMMARY OF WORK

The Contractor shall provide all labor, materials, equipment, and accessories to complete the residential rehabilitation, including but not necessarily limited to: building, garages, drives, sidewalk, curb, walkway, finish grading, utilities, landscaping, permits and fees, etc. The Contractor shall be responsible for clearing and removal of all debris from the site, including the removal of trees and other vegetation as necessary to accommodate the rehabilitation.

3. WORK RELATED REQUIREMENTS

- a) Contractor shall obtain and make itself familiar with recommendations from the manufacturer of the materials installed in this project. Contractor shall install materials in conformance with the manufacturer's recommendations, unless directed otherwise by the Project Manager. Confirmation in writing from the Project Manager is required before starting any work contrary to the manufacturer's recommendations.
- b) Contractor will be responsible for coordinating and laying out the work, including that of all sub-contractors, investigating all existing conditions, checking all dimensions, verifying all sizes, checking and coordinating all elevations and details.
- c) The Contractor must protect construction and any other adjacent property and not disturb any areas outside of the property lot lines.
- d) No deviations from the scope of work and specifications shall be made, except through established Change Order forms to be transmitted to, and signed by the Architect and Project Manager. No Change Order work will commence until Change Order is fully executed.
- e) Contractor is to coordinate all trades on the job.
- f) Shop Drawings and/or submittals shall be submitted for the Project Manager's review in a manner to provide adequate time for review. All colors and finishes shall be submitted to the Project Manager for review and approval prior to fabrication or installation. The following items require submittals: landscape plantings, insulation, roof shingles, vinyl siding, single-ply membranes, windows, exterior doors, interior doors, carpet, wood flooring, ceramic tile, paint, wire shelving, bath accessories, mailboxes, address plates, appliances, cabinetry, countertops, window blinds, plumbing fixtures, water heaters, furnaces, AC condensers, thermostats, exhaust fans, light fixtures, smoke and CO detectors.
- g) Existing utility service and distribution to be verified by the Contractor and all tie-ins shall be in conformance with applicable codes and utility company requirements. Contractor

assumes that all utilities are available at the property line. All fees are to be paid by the contractor.

- h) Any material substitutions must be reviewed and approved by the Project Manager.
- i) Substantial completion is at Temporary Certificate of Occupancy.
- j) Contractor to provide temporary toilets as needed.
- k) The City of Hamtramck will make all water and sewer taps at the Contractor's expense.
- l) Contractor to keep job sites free of debris during construction and perform a final project clean up of the job site after completion. Contractor will keep all roads and public ways clear, passable and free of sediment.
- m) Contractor will provide Project Manager minimum three copies of all product literature in place of shop drawings.
- n) Contractor to keep record copies of contract documents and related documents at his office.
- o) Workmanship will be governed by the National Association of Home Builders Residential Construction Performance Guidelines, Third Edition.

4. SECURITY

The Contractor is responsible for reasonable damage from and shall provide reasonable protection against damage from weather and trade related causes to all in-progress and completed work, materials, and apparatus until a Certificate of Occupancy is delivered to and home is accepted by the Project Manager. The Contractor is responsible for reasonable damage from and shall provide reasonable protection against damage from vandalism, theft and other causes to all in-progress and completed work, materials, and apparatus. The Contractor may install, maintain and remove upon completion of the work all such protection devices. The Contractor shall repair or replace all unreasonably damaged or stolen items at no expense to the Developer. The Contractor shall protect existing work-in-place from damage during construction and repair any damage to it to match the original configuration, arrangement, and/or finish. Contractor shall provide all railings and guards for the protection of workmen and the public necessary in and around the work area during the construction period. The Contractor shall schedule means of fire protection of all construction and materials, prior to starting work in accordance with governing fire regulations.

5. PERMITS AND CODE REQUIREMENTS

Contractor shall obtain all necessary permits, schedule all required inspections by local authorities, and pay all fees, shipping charges and taxes, not including property tax.

6. WARRANTY (GUARANTEE)

All work shall be guaranteed and warranted by the Contractor for a period of twelve (12) months after the date of issuance of a Certificate of Occupancy by the local governing authority. Warranty guidelines shall be per the Building Industry Association's (BIA) Limited House Warranty Agreement. Twelve (12) months after the date of issuance of the Certificate of Occupancy, all warranties shall transfer to the Home Owner.

7. ENERGY STAR CERTIFICATION

All rehabilitation will achieve a Home Energy Rating System index of 85. All energy audits and certifications will be conducted by a third part reviewer.

8. OPERATIONS AND MAINTENANCE

- a) Contractor to provide a manual that includes the following: a routine maintenance plan; instructions for all appliances, HVAC operation, water system turn offs, lighting equipment and other systems that are a part of each occupancy unit; an occupancy turnover plan that describes in detail the process of educating the home owner about proper use and maintenance of all building systems; and information on how to maintain the green features of the site, including paving materials and landscaping.
- b) Contractor to provide a guide for Home Owners that explains the intent, benefits, use and maintenance of green building features, and encourages additional green activities such as recycling, gardening and use of healthy cleaning materials
- c) The Contractor will assist the Project Manager with walk-through and orientation to the new Home Owner that reviews the building's green features, operations and maintenance.

DIVISION 2 – SITE WORK

1. CLEARING, EXCAVATION, FILLING & GRADING

- a) Contractor shall be responsible for clearing of the site, removal of any existing damaged paving materials and vegetation as required.
- b) Remove miscellaneous landscaping debris throughout front and rear yard. Trim excessive growth; dispose all materials. See division 2, item #3 for more information on fencing and scrub tree removal.
- c) Provide additional soil around perimeter of house where areas are low and not permitting water to drain away from the house.

2. LANDSCAPING

- a) Remove exposed debris and cobbles 2 in. or greater in any one dimension.
- b) Soil within 5ft. of the house duplex / garage perimeter shall have a positive slope away from structure for proper drainage.

- c) Provide new topsoil spread evenly on all disturbed areas.
- d) Install new sod at all disturbed area of the site. Contractor shall not fine grade or sod in January, February, or March. Maintain adequate watering after sod installation.
- e) Contractor to select low-water and low-maintenance landscaping through preservation of existing vegetation and use of indigenous plant specification.
- f) Contractor to select Michigan native species trees and plants that:
 - Are appropriate to the site's soils and microclimate
 - Vary in type to avoid a monoculture within the site
 - Provide shading in the summer and allow for heat gain in the winter.

3. SITE FENCING

- a) Repair and or replace damaged chain link fencing
- b) Install all fencing in accordance with the manufacturer's & industry standards. Obtain all fencing materials from a single source. Clean up all debris and unused materials from the site created by fence installation.

DIVISION 3 – CONCRETE

- a) Install new concrete sidewalk at side lot line of property. Pour new 4" concrete, standard weight, air-entrained, sidewalk on minimum 4" compacted base from front sidewalk to rear alley along south side of house. Pour 4' x 4' pad at base of steps from rear porch and 4' x 4' pad in front of man-door to garage.
- b) Interior concrete slabs shall be a smooth steel troweled finish. Exterior concrete shall receive a light broom finish. Control joints shall be a maximum of 8'-0" o.c. or the width of the pavement, and expansion joints shall be placed no more than 24'-0" on centers and where pavement meets building.
- c) All cast-in-place concrete work shall be City inspected for proper placement of reinforcement and sub-grade preparation prior to placing concrete.
- d) New garage slabs to receive a light broom finish and shall have at least one control joint in each direction. Slab shall be reinforced with welded wire fabric.
- e) For the purpose of concrete pouring, the following shall be defined as "cold" weather: when for a period of more than three (3) consecutive days either of the following conditions exist:
 1. The average daily air temperature is less than 40 degrees F and;
 2. The air temperature is not greater than 50 degrees F for more than one-half of any 24-hour period;

- f) Should the contractor wish to pour concrete under such conditions, they must submit a plan for pouring and protecting the work to the Developer for approval prior to initiation of the work.
- g) Concrete products shall be composed of least 25% post-consumer recycled content or at least 50% post-industrial recycled content.
- h) Concrete products must be extracted, processed, and manufactured within 500 miles of the home.
- i) New rat walls are required where existing rat walls are missing or insufficient.

DIVISION 4 – MASONRY

- a) Tuckpoint existing masonry. Cut out existing mortar with mechanical grinder to a minimum 1/2" depth removing all loose material. Saturate joints with water and repoint with 1/2" lifts using Portland cement mortar matching existing mortar color. Tuckpoint exposed decorative concrete block on exposed basement walls and masonry below front porch.

DIVISION 5 – METALS NOT USED

DIVISION 6 – WOOD

1. LUMBER

- a) Lumber standards: Provide lumber which complies with PS20 American Softwood Lumber Standard and with applicable grading rules of inspection agencies certified by American Lumber Standard's Committee's (ALSC) Board of Review.
- b) Dimensional Lumber: Nominal sizes are indicated, except as shown by detail dimensions. Provide actual sizes as required by PS20 for moisture content specified for each use.
- c) Provide dressed lumber, S4S, unless otherwise indicated.
- d) Provide seasoned lumber with 19% maximum moisture content at time of dressing and shipment for sizes 2" or less in nominal thickness, unless otherwise indicated.
- e) For light framing (2" to 4" thick, 2" to 6" wide): Stress grade Douglas Fir or Spruce Fir-Fb 1200 p.s.i. min. surfaced four sides.
- f) For structural framing (2" to 6" thick, 2" to 6" wide): No. 2 grade, Douglas Fir or Spruce Fir, Fb 1,200 p.s.i. min. surfaced four sides.
- g) Do not use any composite wood that has exposed particleboard which contains added urea-formaldehyde
- h) Frame down existing rafters to provide the correct amount of space for new insulation.

2. PLYWOOD

- a) Plywood standards: Comply with PS 1 U.S. Product Standard for Construction and Industrial Plywood for plywood panels and for products not manufactured under PS 1 provisions, with APA Performance Standard and Policies for Structural-Use Panels, form No. E445.
- b) Trademark: factory-mark each construction panel with APA trademark evidencing compliance with grade requirements.
- c) Concealed APA performance-rated panels: where construction panels will be used for concealed types of applications, provide APA performance-rated panels complying with requirements indicated for grade designation, span rating, exposure durability classification, thickness as indicated on Drawing.
- d) Plywood backing panels for mounting electrical or telephone equipment, plywood panels with grade designation, APA C-D plugged INT with exterior glue, not less than 1/2" thick.
- e) Underlayment shall be provided at all floor areas to receive vinyl flooring. Underlayment shall be 1/4" APA Plywood. Underlayment with fully sanded face with exterior rated glue, or 1/4" luan is also acceptable. Fastening and gluing shall be done per APA guidelines to prevent de-lamination and nail popping.

3. WALL, FLOOR, ROOF AND EXTERIOR SHEATHING

- a) Wall sheathing shall be 7/16" OSB board, rated for exterior use for a maximum 24" span.
- b) Roof sheathing shall be 7/16" thick APA rated OSB board, rated for exterior use for a maximum 24" span. Where rafters are set greater than 16" o.c. plywood clips must be used.
- c) Sub-floor shall be 23/32" tongue and groove O.S.B. sub-floor, A.P.A. rated for 24" span.
- d) Exterior sheathing used to cover framing members shall be 3/4" plywood (finished one side) or 3/4" MDO sheathing.

4. FRAMING

- a) Studs at load bearing walls shall be 2" x 4" spaced 16" o.c., double at openings, framed solid at corners and angles for drywall. At openings, inner stud shall be cut out to receive the header over the opening and shall extend in one piece from header to bearing. Headers shall be minimum 2" x 10" unless indicated otherwise.
- b) Cut framing square on bearings, closely fitted, accurately set to require lines levels and plumb. Secure rigidly in place at bearings and connections. Block solid beneath all wood posts and columns to transfer load uniformly to steel or foundations below.
- c) Do not use shims for leveling on wood or metal bearings. Use slate or tile shims with full bearing for leveling on masonry or concrete.
- d) Frame members for passage of pipes and ducts to avoid cutting structural members. Do not cut, notch, or force framing members for passage of pipes or conduits without permission from the Project Manager.

- e) Hold framing and sub-floor at least 1/2" away from masonry walls.
- f) All interior trim shall be OG style primed finger jointed pine. 4 1/4" high for base and 3 1/4" wide for door casing and trim. Provide overhanging wood cap at all half walls with 3 1/4" trim beneath.
- g) All window openings to receive 1 1/4" OG wood stop between drywall and window.
- h) All windows shall have wood sills. Sills to extend 1" past face of drywall opening. Wood trim to be installed under sill.
- i) At plumbing walls in kitchens, laundries and baths, provide 2" x 6" stud wall for plumbing rough-in work.
- j) If shower hardware does not provide built-in shut-off valves accessible from inside the shower, frame and install a plumbing access panel at the reverse wall of each 2nd floor shower / bath. (see Division 8, Item #4)
- k) Provide wood blocking at areas to receive cabinetry, shelving, towel racks and toilet paper holder.
- l) Provide 2" x 4" wood blocking at stairways to allow for proper installation of interior and exterior handrails, field verify locations.
- m) The Contractor shall take appropriate protective measures to ensure that installed OSB board does not become subject to prolonged exposure to water or moisture. Likewise, all OSB board shall be given appropriate time and conditions to properly stabilize prior to installation of covering materials. Any moisture damaged OSB to be repaired or replaced.
- n) Exterior wood trim shall be fir or spruce with a smooth surface.

5. INTERIOR RAILING SYSTEMS

Standard wood hand railing in stairways shall be supported by metal brackets securely fastened to wood blocking in walls. Handrails shall return to the wall at each end.

DIVISION 7 - THERMAL & MOISTURE PROTECTION

1. VAPOR BARRIER AND AIR INFILTRATION BARRIER

- a) At conditioned space exterior walls, install an air infiltration house wrap barrier similar to Tyvek as manufactured by DuPont. Barrier shall be installed prior to installation of door and windows.
- b) Provide peel-and-stick membrane flashing around all window and door openings.
- c) At all water / air infiltration barriers seams install 3" seam tape. Tyvek Tape as manufactured by Dupont or similar.

2. BUILDING INSULATION

- a) Attic insulation shall achieve at least an R-38 insulation value. Insulation shall be closed cell spray-applied foam insulation.
- b) Exterior wall insulation shall achieve at least an R-21 insulation value. Insulation shall be closed cell spray-applied foam insulation.
- c) Bond beam insulation shall achieve at least an R-21 insulation value. Insulation shall be closed cell spray-applied foam insulation.
- d) Insulation to be installed per the manufacturer's recommendations.
- e) Provide complete seal using air barrier between attic and conditioned space including at chases, penetrations, open wall cavities, dropped ceilings and soffits.
- f) Seal all plumbing, electrical and other penetrations of walls and floors, and joints between building materials with polyurethane caulk or equivalent.
- g) Closed-cell spray foam to be applied behind all electrical boxes and other like penetrations at exterior walls.
- h) Exterior latex caulk to be applied at interior edge of bottom exterior wall plate, interior edge of top exterior wall plate, interior edge of exterior corners, and all significant gaps between exterior wall studs which cannot be adequately filled with insulation or spray foam.
- i) Provide acoustical insulation around all 2nd floor sanitary piping and in first floor walls containing sanitary stacks. Vent stacks do not need to be insulated.
- j) Where it is impractical to install new wall insulation, or where wall insulation already exists and will be retained, install 1½" of exterior rigid insulation beneath the siding and adjust the attachment of the siding to meet the manufacturer's recommendations for this assembly.

3. ROOF SHINGLES

- a) Repair all damaged or missing roofing.
- b) Install a UL Class A self-sealing 3-tab dimensional asphalt/fiberglass mat shingle with 25 year limited warranty. Color and profile to be selected by Project Manager.
- c) Asphalt-Saturated Roofing Felt: Install per ASTM D266-09, un-perforated, 36" wide (15#).
- d) Fasteners: Per manufacturer's requirements to assure warranty compliance.
- e) Metal roof vents to be square, color shall be approved by the Project Manager. Each roof vent to have 50 sq. inches of net free area of ventilation. Ridge vent to be faced with selected roofing shingle and provide minimum of 16.9 inches of net free area per linear foot.
- f) Provide and install Ice and Water shield at all eaves of the dwelling from the eaves up the roof to overlie a point 24" inside the interior wall line of the building.

4. GUTTERS, DOWNSPOUTS, SHEET METAL TRIM AND FLASHING

- a) Gutters and downspouts shall be seamless aluminum gutter with factory-applied baked-enamel finish. Gutter to be 5" ogee type.
- b) Sheet metal flashing shall be fabricated 300-H25 aluminum sheet with an applied baked enamel finish. Finish to be selected by Project Manager from standard colors.
- c) All accessories shall be provided including end caps, inside and outside mitered transitions, gutter hangers and clips. All accessories shall be finished to match gutters.
- d) All gutters shall be pitched a minimum of 1/2" for every ten (10) feet of run, in the direction of the downspouts.
- e) Downspouts shall be directed onto installed concrete splash blocks.

5. VINYL SIDING AND TRIM

- a) Repair and or replace all damage vinyl siding, trim and soffit.
- b) Siding and trim shall be manufactured from polyvinyl chloride (PVC) compounds meeting requirements of ASTM D3679-09 for compound class 2 and 3 materials. Siding and trim shall have a woodgrain texture. All siding, soffits and trim to have average min. thickness of .044". Siding to be double 4.5" dutchlap profile. Corner, door and window casing to be 3.5" wide profile. Soffit to be triple 4" fully vented.

Acceptable manufacturers:

- Wolverine
 - Certainteed
 - Royal Crest
 - Or Project Manager Approved Equal
- c) Type and color to be approved by the Project Manager from manufacturers full line of standard colors.
 - d) All accessories shall be provided including: corner and inside posts, ventilated soffit, starter and finish trim, window and door casing / moldings, etc. Colors shall be selected and coordinated by Project Manager.
 - e) Soffits and porch ceilings to be triple 4" style fully vented. Material to have minimum 5.09 sq. inches of net free area of ventilation per linear foot.

6. SEALANTS ADHESIVES AND CAULKING

- a) All exterior and interior sealants, adhesives and caulking shall be low or no VOC.
- b) Exterior sealant shall be meet U.S. Spec # TSS-00230 Type C, and shall be similar in color to adjacent materials. All wall penetrations shall be sealed.

- c) Interior caulking shall be paintable acrylic latex except as noted herein.
- d) All sealant and caulking installation shall be per the manufacturer's recommendations. Contractor shall prepare joints, clean, prime and install back rods and bond breakers as required.
- e) Silicone caulking shall be used at the bottom of the base cabinets and at all laminate to laminate joints at countertops.
- f) All adhesives must comply with Rule 1168 of the South Coast Air Quality Management District. All caulks and sealants must comply with regulation 8, rule 51, of the Bay Area Air Quality management District.

7. BASEMENT DAMP PROOFING AND WATER PROOFING

- a) Crawl space insulation and vapor barrier

DIVISION 8 – WINDOWS & DOORS

1. WINDOWS

- a) All new windows have been installed. Repair or replace damaged frame and or sashes.

2. EXTERIOR DOORS

- a) Provide a new aluminum storm and screen door at front entry with anodized or baked enamel finish, choose color from manufacturer's standard colors. At rear entry, provide white vinyl door with 3-track glazing with 2 glass panels and one screen panel. Remove and replace any damaged wood substrate to receive door frame. Caulk and seal per manufacturer's requirements.
- b) If entry door requires replacing, install embossed six-panel metal door with upper two panels having lights. Doors shall be stiffened by kraft honeycomb core with polyurethane foam, thermally broken. Include peep-hole. Magnetic weather-stripping and oak or aluminum thresholds shall be provided. Thresholds shall be set in sealant. Exterior door to be Energy Star rated.
- c) Provide full-height metal reinforcing on the strike side of all house & garage entry doors. Install hinges and metal reinforcing plate with screws long enough to secure them to the jack studs (2" min.).
- d) Garage man door shall be embossed six-panel type, non-insulated, with two lights.
- e) All exterior locksets shall be Palmex Fremont FIN5 Series or approved equal. Finish to be satin nickel. Exterior locksets shall meet ANSI A156.12, Series 4000, Grade 2 requirements. Follow manufacturer's instruction for installation. Door hardware to provide simultaneous retraction of the deadbolt and dead latch from the inside and a single key operation from the exterior. Deadbolt shall be single cylinder and have minimum 1" throw. All locks to be keyed alike for each home. Contractor to provide minimum 3 sets of keys.

- f) Hinge finish to match door hardware finish.
- g) Provide new garage door and electric closer for existing garage door opening. Remove existing garage door. Install new sectional garage door, 24 gauge galvanized steel construction with raised panels and weather seals. All finish coatings shall be factory applied and chosen from manufacturer's standard colors. Provide electric garage door motor opener/closer, minimum 1/2 hp motor with chain or belt drive for each door. Provide a wired push button at man door and (2) remotes.

3. INTERIOR DOORS

- a) Interior Doors - Pre-Hung. Prepare existing opening to receive new pre-hung door and frame, install new blocking as required. Provide and install 1 3/8", hollow core door. Door style to resemble existing doors (raised panel, flush, etc.), stain and seal to match existing. Include casing for both sides of door. Door handles to match existing hardware throughout house.
- b) When all interior doors are replaced, install new painted, 6-panel, textured hollow-core slab and honeycomb construction by Masonite or Project Manager approved equal.
- c) Bi-fold doors to match swing doors in style, finish, appearance and manufacturer.
- d) Interior Door Locksets. Provide privacy lockset at bedroom and bathroom doors, passage set at all other openings, Schlage "Andover" door knob, "FA51 AND 619", satin stainless steel finish or Project Manager approved equal. Provide (3) hinges at each interior door in a matching finish.
- e) Door Casing & Trim. Remove any cracked, split or otherwise damaged door casing and trim. Install new wood casing matching existing profiles as close as possible to remaining trim in the house.

4. ACCESS PANELS

- a) Install plumbing access panel to second floor bath/shower plumbing, if required.
- b) Install attic access panel having a clear opening minimum 22" x 30".
- c) Access panels to be plywood panels fully sanded one side and painted. Plumbing access panel to be fastened with washers and screws. Attic access panel to be weather-stripped, insulated and lay on surrounding trim. All access openings to be framed in wood trim.

DIVISION 9 – FINISHES

1. DEMOLITION

- a) Remove and replace all finishes. Dispose of all materials in an approved, off site landfill.
- b) Contractor to identify and verify all materials containing lead, asbestos or other potential hazardous materials. Contractor to comply with all regulations regarding work within a space containing these hazards.

- c) For homes built before 1978, use lead-safe work practices consistent with the EPA's Renovation, Repair, and Painting Regulation and applicable HUD requirements.
- d) Regulations and requirements regarding lead and asbestos safe work practices and proper disposal of hazardous materials are available from the Owner. Familiarize yourself with these requirements before starting work.

2. PLASTER / GYPSUM WALL BOARD REPAIRS

- a) Minor plaster/gypsum board repairs. Expand, clean and trim small holes to allow insertion of back board. Provide glue to surface of backer board and screw through existing plaster/gypsum board surface into backer board. Build up Durabond/patching plaster material over backer board to flush with existing wall surface. Apply finish coat and sand smooth ready for painting
- b) Major plaster/gypsum board repairs. For larger holes and damaged areas, cut back damaged/defective area to expose half of each vertical stud on each side of damaged areas. Cut and tightly fit gypsum board patch into exposed area. Glue and screw patch to wood studs, provide shims as required to mount patch surface flush with existing adjacent surface. Apply tape and Durabond / gypsum board mud to joint areas, feather out mud a minimum 8" from joint. Sand taped and mud surfaces to be ready for painting.

3. GYPSUM WALL BOARD CONSTRUCTION

- a) Walls and ceilings shall be minimum 1/2" gypsum board, except for mounting on trusses where 5/8" shall be used.
- b) Walls and ceilings are to be smooth finish.
- c) Metal corner bead shall be provided at all outside corners.
- d) All window openings to be wrapped with gypsum board returning to window.
- e) All material shall be installed and finished per the manufacturer's instructions. All gypsum board on exterior wall and ceilings are to be installed with adhesive. Moisture resistant gypsum board shall be used on the walls and ceilings directly above the tub / shower surround, throughout the basement and at the kitchen backsplash.
- f) Glue and screw all drywall to wood framing that exceeds 16" o.c.
- g) Use non-paper-faced backing materials such as cement board, fiber cement board, or equivalent in bathrooms.
- h) Gypsum board shall be of products that were extracted, processed, and manufactured within 500 miles of the home or building for a minimum of 50% of the building material value (based on cost).
- i) Gypsum board shall composed of at least 25% post-consumer recycled content or at least 50% post-industrial recycled content

4. CARPET

- a) Install a FHA/HUD approved nylon/recycled fiber, lush or berber carpet over a rebound pad. Layout and install carpet in a manner to minimize seams. Include tackless strips, metal edge transition strips and mending tape to cover entire floor area including closets where occurring. Stretch carpet to eliminate pucker, scallops and ripples. At stairs, fasten carpet and pad at top and bottom of each riser.
- b) Carpet shall meet FHA/HUD minimum requirements; contain the Carpet and Rug Institute's Green Label or Green Label Plus certification for carpet, pad, and carpet adhesives. The carpet shall have a minimum 5 year wear and stain resistant warranty, 25 oz. minimum, nylon.
- c) Minimum 7/16" thick rebound pad shall be provided that meets Green Label certification.
- d) Carpet shall be installed in the living room, dining room, stairs from first floor to second floor and all of second floor except for bathrooms.
- e) Carpet shall be made of materials composed of at least 25% post-consumer recycled content or at least 50% post-industrial recycled content.
- f) Do not install carpets in entryways, laundry rooms, bathrooms, kitchens, utility rooms, and all rooms with hardwood flooring.
- g) All existing carpet to be steamed cleaned and all stains removed.

5. CERAMIC

- a) Remove existing tile and applied substrates down to wood sub-floor. Repair existing subfloor as required. Provide and install 1/2" thick, cementitious board, Durarock or approved equal, at areas to receive ceramic tile, glue and screw to wood floor substrate with approved cement screws at maximum 8" o.c. each way, float installed cement board with thinset material to provide a continuous and level floor substrate ready for ceramic tile. Install ceramic tile in polymer, modified thinset bed. Provide tile material and grout within a \$4/sf material allowance. Provide grout widths appropriate to tile selection.
- b) New ceramic tile to be located in front and rear entries, kitchen, toilet, bathrooms floors and tub surrounds.

6. WOOD FLOORING

If hardwood exists in home, repair and refinish. Remove and replace any damaged substrate below finish wood floor. Remove and replace any damaged finished hardwood flooring with like material and size. Where demolished walls disrupted the prior flooring pattern, use patch pieces of sufficient lengths to obscure the repair and align with the existing flooring pattern. Sand entire wood floor and fill all holes with wood filler. Apply minimum (2) coats, water-borne, low-VOC, urethane finish, clear, non-yellowing, stain finish.

7. PAINT

- a) Preparation and painting of interior trim. Remove, cover and/or protect all adjacent surfaces not being painted. Scrape and remove all loose, cracked, peeling and blistered paint from all interior trim including base, door and window casings, window sash. Clean any oil, grease, dirt and dust from woodwork. Fill all holes and cracks with wood filler. Prime and paint with minimum (1) coat low-VOC, interior acrylic latex paint with semi-gloss finish. Color to be selected from manufacturer's standards.
- b) General preparation and painting of room wall and ceiling surfaces. Remove all covers, hardware and fixtures throughout room not to be painted. Protect any fixtures remaining with painter's tape. Clean all surfaces with TSP or other approved cleaning material. Spot prime all new/repainted surfaces. Provide block filler as required for all concrete block surfaces. Paint all surfaces with (2) coats low-VOC, interior latex paint; satin/eggshell finish at wall surfaces, flat finish at ceiling surface. Color to be selected from manufacturer's standards and approved by Project Manager.
- c) Painting basement concrete floor. Remove all grease, oil and other stains which may interfere with the adhesion of the paint to the concrete floor surface. Prepare the concrete surface to receive the paint by acid-etching the existing concrete finish. Thoroughly wash and clean entire floor and remove all traces of acid etcher from floor. Provide minimum (1) coat, low-VOC, epoxy-base paint on entire floor surface. Follow manufacturer's instructions for complete installation.
- a) Paint all exposed metal posts and beams in the basement with low-VOC metal primer and low-VOC epoxy paint, Sherwin Williams "Tile-Clad" or approved equal, glossy black color
- d) All interior paints and primers must be less than or equal to the following VOC levels:
 - Flats-50 g/L
 - Non-Flats-50 g/L
 - Floor-100 g/l

DIVISION 10 - SPECIALTIES

1. CLOSETS

- a) Remove all linen and pantry shelves.
- b) Linen and pantry closets to be provided with (5) shelves.
- c) Coat and bedroom closets to have one shelf and rod.
- d) Shelving to be vinyl coated wire shelving as manufactured by Closet Maid, Lee Rowan, Schulte, or Project Manager approved equal.

2. BATHROOM ACCESSORIES

- a) Remove all existing bathroom accessories
- b) Provide chrome finished shower rod at tub.

- c) Provide 36" high wall mounted mirror that matches the vanity width and a recessed medicine cabinet at each vanity.
- d) Bath accessories to be satin stainless steel finish by Meeks, Taymor or Project Manager approved equal. No exposed parts shall be plastic.
 - One 24" towel bar in each full bathroom / toilet
 - One 18" towel bar in each toilet
 - One towel ring in each bathroom /toilet
 - One toilet paper holder at each toilet water closet
 - One shower curtain rod at each tub

3. MAILBOX

Replace existing mail box with new one that shall be horizontal pre-finished metal box to be attached on porch railing so the mail person can insert mail at grade.

4. ADDRESS PLATE

Replace existing address plate on front of house and replace or add new address plate on garage facing alley with new metal address plate.

DIVISION 11 – EQUIPMENT

APPLIANCES

- a) Refrigerator, dishwasher and clothes washer shall meet Energy Star criteria. All appliances to be white in color. Provide the following items or equal with approval of Project Manager.
 - 1.) Refrigerator: Frigidaire 18.2 c.f. Top Freezer. Model: FFHT1817LW
 - 2.) Gas Range/Oven: Frigidaire 30" Freestanding Model: FPEF3081MF
 - 3.) Dishwasher: Frigidaire 24" built-in. Model: FFBD2407L
 - 4.) Washer: Frigidaire 2.65 c.f. Front Load. Model: FTF530FS
 - 5.) Gas Dryer: Frigidaire 7.0 c.f. Model: FRQG7000LW

DIVISION 12 - FURNISHING

1. KITCHEN AND BATH CABINETS

Cabinet face frames, drawer fronts and doors shall be solid hardwood construction. Doors are to be "flat panel" design. Door and drawer pulls shall be round knobs with satin stainless finish. Contractor shall provide cabinet sample for review and approval by Project Manager.

Acceptable manufacturers

- Seacrest, Woodstar Cabinets by Quality Cabinets (MASCO)
- Triangle Pacific "Brandford Oak"

- Armstrong Branford
- Or Project Manager approved equal

2. COUNTERTOPS

- a) Kitchen countertops and backsplashes shall be granite. Project Manager to select granite from Contractor-provided samples.
- b) Vanity countertops shall be cultured marble with integrated bowl.
- c) Provide and install laminate grease guard behind range. Guard to be width of range opening and height measured from top of countertop to underside of range hood. Project Manager to select color from manufacturer's standards.

3. WINDOW BLINDS

Mini-blinds shall be installed at all windows. Blinds shall not be made of polyvinyl chloride. Safety cord stops shall be installed on all window treatment cords to prevent injury.

DIVISION 13 AND 14 NOT USED

DIVISION 15 – PLUMBING

- a) **Underground Waste Lines.** Inspect and test all existing underground waste lines. Visually inspect with in-line camera from access point to connection at City of Hamtramck sewer line. Jet or snake as required to remove any obstructions in the line. Replace any damaged section of the pipe with PVC, provide all necessary transition fittings. Cut existing concrete as required to access damaged areas and replace with new, standard weight concrete flush with existing adjacent surfaces.
- b) **Install new water meter.** Have City of Hamtramck Water & Sewer Department verify existing water meter for address, repair/adjust existing plumbing as required for new meter
- c) **Gas Piping.** Verify and test all existing gas lines from meter to gas appliances. Replace any damaged sections with black iron pipe. For new gas locations, provide and install flexible corrugated stainless steel tubing system sized per manufacturer's requirements. Provide a code compliant (National Fuel Gas Code) system using all the manufacturer's required components including terminations, joints, reducers, flanges, and protection plates. Provide TracPipe or approved equivalent.
- d) **Domestic Water Piping.** Remove and replace existing water lines. Provide and install cross linked polyethylene (Pex) piping to each required location. Size lines to each location per manufacturer's recommendations. Provide blue colored lines to cold water locations and red colored lines to hot water locations. Terminate all lines with copper fittings at required water locations. Provide all accessories, fittings, manifolds and installation equipment from the same source as the piping.
- e) **Hot Water Heater.** Provide and install, gas-fired, tankless hot water heater, manufactured by Rinnai or Project Manager approved equal. Provide gas line and vent per manufacturer's

instructions.

- f) Remove all existing plumbing fixtures. Inspect existing rough plumbing, repair and adjust as required for new fixture installations. Provide water supplies, shut-off valves, and all necessary waste connections for new fixturing. New fixtures to be by Delta, unless noted otherwise. Any deviations shall be approved by Project Manager.
- g) Bathroom Toilet: Provide and install new two-piece toilet with elongated bowl (provide standard bowl if elongated bowl will not fit within existing area), toilet seat and 12" rough in tank. Toilet and seat to be white. Provide toilet flange with wax ring and bolts. Toilet shall be rated at maximum 1.28 GPF.
- h) Bathroom Tub: Provide and install new steel or fiberglass tub. Selection to be approved by Project Manager. Caulk all joints with white, low-VOC, mildew resistant siliconized caulk. Provide single lever faucet controls, tub spout and shower head with polished chrome finish. Shower head shall be rated at maximum 2.0 GPM. Fixturing with built-in shut-off valve may be provided in lieu of shower access panel(s).
- i) Bathroom Lavatory: Provide and install new single handle, lavatory faucet with 4" spread with polished chrome finish and metal pop-up. Faucet shall be rated at maximum 1.5 GPM. See division 12, item #2 for sink information.
- j) Where there is insufficient space for a new lavatory and base cabinet, provide a pedestal sink instead. Prior approval of the Project Manager is required for all substitutions.
- k) Kitchen Sink: Provide and install new under-counter, stainless steel, 20 gauge, 33" wide x 22" deep with 6 1/2" deep, double basin sink. Provide and install kitchen faucet and sprayer, 8" center set, polished chrome finish and chrome spray head and hose. Faucet shall be rated at maximum 2.0 GPM. Provide and install 1/3 hp garbage disposal with stainless steel chamber under the sink, modify and connect to existing waste line. Disposal to be by InSinkErator, Badger or Project Manager approved equal. If there is no existing garbage disposal, coordinate new switch with electrician.
- l) Laundry Tub: Provide and install new double basin, polypropylene, structural composite sink by ProFlo, model number PFMS2623F. Provide and install utility faucet with 8" spout, 4" center and polished chrome finish by ProFlo, model number PFX7002M.
- m) Remove existing hose bib, replace with new exterior, frost proof hose bib, replace interior plumbing as required for functionality. Coordinate with siding installer for proper flashing around penetration
- n) Provide gas line stub with valve at each gas dryer location, if not existent.
- o) Cut basement concrete flooring to install if possible a backflow preventer on sanitary line.

DIVISION 15 – MECHANICAL HVAC

- a) Remove existing thermostat and install new digital programmable Honeywell thermostat, Model No. #YRTH230B1033 or Project Manager approved equal.

- b) Remove existing furnace. Verify existing gas line is functioning and in working order. Repair and replace any damaged line from gas meter to furnace location.
- c) Install a furnace-mounted system to provide additional fresh-air through furnace fan cycling and a motorized damper when the furnace is not actively heating or cooling the home similar to AirCycler VS by Lipidex Corporation, or Project Manager approved equal.
- d) Remove and recycle all existing ductwork, run new ductwork to existing locations, size ductwork to provide proper balance to system without excessive noise.
- e) New heating and cooling equipment shall be sized in accordance with the Air Conditioning Contractors of America (ACCA) Manuals, Parts J and S, or ASHRAE handbooks.
- f) Install a ventilation system for the dwelling unit capable of providing adequate fresh air per ASHRAE requirements for the building type.
- g) At existing ductwork to remain, clean all metal ductwork. Inspect all seams, provide approved tape at any leaks. Provide new transitions as required from existing ductwork to new furnace. At new ductwork, size all main and trunks to provide low velocity air at diffuser locations. Test and air balance system to provide uniform air distribution throughout the house.
- h) Provide and install an Energy Star rated, 95% minimum efficiency AFUE, variable speed, with electronic air cleaner and humidifier compatible. Manufacturer to provide a lifetime warranty on the heat exchanger and minimum (10) years warranty on all parts. Provide Carrier, Infinity 96 gas fired furnace or Project Manager approved equal. Provide concentric termination kit for flue exhaust and fresh air intake, penetrate through rear wall or roof. Locate concentric termination in a code compliant location. Cut hole through wall or roof for concentric pipe. Caulk and seal around penetration. Follow manufacturer's instructions for piping from furnace to concentric kit and all details related to the installation of the concentric kit.
- i) Provide furnace mounted humidifier. Submit cut sheet to Project Manager for approval.
- j) Provide floor unit dehumidifier to be located in basement. Run drainage tube to floor drain or to pump used with furnace condensate line. Submit cut sheet to Project Manager for approval.
- k) Provide and install an Energy Star rated central Air A.C. condenser. Unit to be sized by mechanical contractor based on size of home. Condenser to be set on a prefabricated or 4" thick concrete pad.
- l) Provide and install an Energy Star rated ceiling mounted exhaust fan manufactured by Broan or Project Manager approved equal. Fan to have humidistat sensor or timer. Minimum 50 CFM in Toilet Rooms and Minimum 100 CFM in Bathrooms. Each exhaust fan shall have a separate switch from light. Fan to be ducted through exterior wall or roof and include a damper.
- m) Provide and install an Energy Star rated cabinet mounted range hood / exhaust fan manufactured by Broan or Project Manager approved equal. Unit to have switched lighting

and switch for two fan speeds. Fan to be ducted through exterior wall or roof and include a damper. Size the fan at the appropriate cfm rate, per ASHRAE 62.2.

DIVISION 16 – ELECTRICAL

- a) Coordinate with DTE to provide operational electric service to house, coordinate with DTE to confirm height of existing electrical service above grade is proper. Remove existing wiring attached to rear of house, provide new code compliant metal pipe as needed to extend to proper height, maintain minimum 10' clearance above grade to underside of electrical service line to house. Replace all wiring with code compliant wiring from electrical meter to new electrical panel in basement.
- b) Electrical Panel. Provide and install 150 amp electrical panel, Square D "HomeLine" or approved equal. When wiring is replaced at bedrooms or a new service is provided to the house, provide arc fault interrupted circuit breakers for all outlets in the bedrooms.
- c) Test all electrical circuits back to main distribution panel
- d) Verify all existing wiring to existing fixtures, switches, outlets and junction boxes is in working order. Replace any damaged or faulty wiring. At locations without the necessary existing equipment, provide code compliant wiring from nearest appropriate circuit suitable for the item.
- e) General Exterior Lighting: Provide new exterior compliant UL approved, wall-mounted light fixture. Use low-VOC caulk to seal around all penetrations through wall and follow manufacturer's instructions for installation.
- f) Provide new, decorative, wall-mounted, exterior fixture at front porch. Provide UL approved fixture. Install at existing fixture location where practical.
- g) Install new, wall-mounted light fixture above rear door to house. Provide UL approved flood light fixture for exterior use above rear door.
- h) At front and rear entries, provide and install new exterior GFI electrical outlets and code approved cover.
- i) When no garbage disposal exists, add new toggle-operated switch on wall adjacent to sink. Provide power from independent, 15 amp circuit. Patch and repair wall surface as required for installation of new switch and wiring.
- j) Verify existing electrical service to garage meets current code. Replace with new, code-complaint service if it does not.
- k) Remove and replace existing garage outlets. Provide GFI outlet at all existing outlets in the garage. Provide (1) outlet at light switch and one at garage door operator.
- l) Provide new lighting at garage. Provide (2), lamp-holder fixtures with exterior-rated CFL bulbs. Locate so garage door does not interfere
- m) Provide new exterior light adjacent to garage man door. Provide wall- mounted, UL approved decorative fixture.

- n) Provide new, wall-mounted, area light facing alley above garage overhead door. Light to be motion activated.
- o) Electrical Outlets: Replace all outlets with new, duplex, 15 amp, 125 volt Leviton "Preferred" or "Spec" grade or approved equal. Provide matching cover plate, plastic or metal, white color. At bathroom, kitchen counter, outdoor and garage outlets, provide GFCI outlets.
- p) Electrical Switches: Replace all switches with new standard, toggle switch and cover plate, plastic or metal, white color (to match outlet cover plates)
- q) Smoke detectors: Provide and install a UL approved, ceiling-mounted, particles-of-combustion (smoke) and heat detector. Permanently wire into a flush mounted, ceiling receptacle box. Provide new code compliant wiring as required to junction box or electrical panel. If code official permits, provide a 10-year lithium ion battery in lieu of the hard wired detector.
- r) Ceiling Mounted Light Fixture - General Spaces: Provide and install a UL approved, ceiling mounted light fixture with minimum (2) 100w equivalent compact fluorescent lamps per fixture.
- s) Reinforce junction boxes in all bedrooms for future ceiling fan fixture installation.
- t) Recessed, Ceiling-Mounted Light Fixture/Fan at Bathroom:
- u) Recessed Down light Fixture: Provide and install remodeler recessed light fixture rated for direct contact with insulation, 6" aperture opening, incandescent, Par 30 lamp, maximum height 7 1/2". Halo, H7RICT or approved equal
- v) Lavatory Light Fixture: Provide and install a UL approved, semi-flush mounted, 24" long, (4) lamp fixture, 100w fixture in brushed chrome finish.
- w) Efficient Exterior Lighting: Follow the guidance appropriate for the project type: install the Energy Star-qualified fixtures or LED's with a minimum efficacy of 45 lumens / watt; OR follow the Energy Star MRHR program guidelines, which require that 80% of outdoor lighting fixtures must be Energy Star-qualified or have Energy Star-qualified lamps installed; OR if replacing, new fixtures and ceiling fans must meet or exceed Energy Star efficiency levels.
- x) Efficient Interior Lighting: Follow the guidance appropriate for the project type: install the Energy Star Advance Lighting Package (ALP); OR follow the Energy Star MRHR program guidelines, which require that 80% of installed lighting fixtures within units must be Energy Star-qualified or have Energy Star-qualified lamps installed; OR if replacing, install Energy Star compact fluorescents or LED's with a minimum efficacy of 45 lumens / watt.

END OF CONSTRUCTION SPECIFICATIONS

Exhibit B



MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY REQUEST FOR PROPOSAL

EXHIBIT B

PROPOSAL INSTRUCTIONS AND SELECTION CRITERIA

I. Proposal Delivery/Submission

- A. Due Date.** Proposals responding to this Request for Proposal ("RFP") are due April 22, 2014 at 4 p.m.
- B. Originals and Copies.** Submit one (1) original and three (3) copies of a proposal to provide the services described in the **Exhibit A - Scope of Work**.
- C. Delivery of Proposal.** Deliveries may be by hand, commercial overnight service, or U.S. Postal Service. No electronic deliveries will be accepted. All deliveries should be directed to:

**Attention: James Davis or Edwin Harlin
Michigan State Housing Development Authority
3028 W. Grand Blvd., STE. 4-600
Detroit, Michigan 48202**

- D. Selection of Proposal.** The Authority's review will take a minimum of two weeks after the closing date for submitting proposals. The Authority anticipates notifying the selected contractor on or before April 30, 2014 via e-mail and posting on the Authority's website. The name of the selected contractor will also be posted on the Authority's website.
- E. Commencement of Work.** Project work shall not commence until execution of a project contract. The selected contractor shall not proceed with performance of the project work or incurring of project costs until both parties have signed the project contract to show acceptance of its terms and conditions.
- F. Project Control.** The selected contractor will carry out this project under the direction and control of the Authority and its designated Contract Administrator.
- G. Monthly Progress Reports.** The selected contractor may be required to submit brief written monthly summaries of progress outlining the work accomplished during the reporting period. Problems, real and anticipated, or any significant deviation from the agreed-upon work plan should be brought to the attention of the Contract Administrator. A financial report of expenditures to date including any changes to approved budget or approved work schedule must be submitted as part of the report.

These reports will be due to the Authority each month by the 30th of the month during the project period.

H. Final Project Summary Report. The selected contractor will be required to submit a narrative summary of the project and its outcome. One printed copy of the final summary report and an electronic version of the report shall be submitted to the Authority.

I. Applicable Laws. The selected contractor will be required to comply with all state and federal laws.

II. Proposal Format

A. Overview. Proposals must be submitted in the format described in this **Exhibit B** as outlined below. There should be no attachments, enclosures or exhibits other than those considered by the Bidder to be essential to a complete understanding of the proposal. Each section must be clearly identified with appropriate headings.

The proposal should be clear, accurate, and complete, with sufficient detail to enable the Authority to evaluate the services and methods proposed. Brevity is appreciated.

B. Format of Proposal.

1. Business Organization. Include the following information and supporting documentation as outlined in **Exhibit D - Organization Background Checklist** found attached and incorporated into this RFP:

- a. The full name and address of Bidder.
- b. The branch office or name and address of registered agent, if applicable.
- c. The type of entity (e.g., Michigan corporation, Michigan nonprofit corporation, Michigan limited liability company):
 - i. If the entity is foreign (i.e., non-Michigan) it must be licensed to do business in Michigan. The firm must submit with the proposal a *Certificate of Authority to Transact Business* issued by the Department of Licensing and Regulatory Affairs that is dated no earlier than 30 days prior to the submittal date of the proposal. Provide address of registered agent or office.
 - ii. If the entity is Michigan-based, the firm must submit with the proposal a *Certificate of Good Standing* dated no earlier than 30 days prior to the submittal date of the proposal.
- d. Submit a *Certificate Verifying Key Persons*. This form is found in **Exhibit C** attached and incorporated into this RFP.

- e. Submit a *Certifications Regarding Debarment, Suspension and Other Responsibility Matters* form. The form is found in **Exhibit E** attached and incorporated into this RFP.
- f. Submit a *W-9 Request for Taxpayer Identification Number and Certification*. The form is found in **Exhibit F** attached and incorporated into this RFP.
- g. Submit a *Retiree Rehire Certificate*, if required. The form is found in **Exhibit G** attached and incorporated into this RFP.
- h. For your convenience, a checklist of required organizational documentation is provided as **Exhibit D** attached and incorporated into this RFP. **NOTE:** depending on the nature of the bid request and proposal, this checklist may not be all inclusive and additional documentation may be required.

2. Management and Personnel. Answer/Address the following:

- a. **Officer and Management Summary.** Identify officers and managers by name and position. Identify managers and/or officers who will manage the contract if it is awarded and provide their resumes or CVs.

Identify key project personnel and their titles. List their responsibilities and the specific tasks each will carry out and the anticipated time frames for each task and person. Provide current contact information including name, title, mailing address, email address, and phone and fax numbers.

- b. **Bidder's Authorized Contact.** Include the name and telephone number of person(s) in your organization authorized to expedite any proposed contract with the Authority. An official authorized to commit the Bidder to the terms and conditions of the proposal must sign the proposal. The Bidder must clearly identify the full title and authorization of the designated official and provide a statement of bid commitment with the accompanying signature of the official. Attach any resolutions authorizing the approved signatory with the proposal.

3. Experience.

- a. **Prior Experience of Bidder.** Indicate prior experience of your firm that you consider relevant to the successful accomplishment of the project described in this RFP. Include sufficient detail to demonstrate the relevance of such experience. Include descriptions of qualifying experience, including project descriptions, costs, and starting and ending dates of projects successfully completed. Also include the name, address, and telephone number of the responsible official of the client organization who may be contacted.
- b. **Experience of Proposed Personnel Assigned to Provide Services.** The proposal should describe the education and experience of the personnel who will be assigned to provide the proposed services, including managers who may oversee work of personnel.

- c. **Examples of Work.** The following examples of recent work should be submitted with the application:
 - i. Please submit a detailed summary and description of all recent work that demonstrates, in your opinion, the knowledge and capacity to undertake and complete the development for which this RFP pertains to.
- d. **Additional Information and Comments.** Include any other information that is believed to be pertinent but not specifically asked for elsewhere.
- e. **Confirm Whether Any Assigned Personnel Receive Pension Payments from the State of Michigan.** If any assigned personnel receive pensions from the State of Michigan, you must provide confirmation, signed by each assigned person with a State of Michigan pension, that he or she acknowledges and agrees that he or she must forfeit any pension payments made during the term of the contract. If a contract is awarded, each assigned person with a State of Michigan pension must submit a copy of the pensioned retiree's directions to the State of Michigan's Office of Retirement Services to withhold the retiree's pension payments during the contract term.

4. Proposed Services.

- a. **How Services will be Rendered.** Address and describe the process used to render the services and how the services will be rendered. This should be an overview of the methodology to be used, based on staff and time frames, to meet the project scope of work (**Exhibit B**) and complete the required objectives within the time frame of the project. Please include a narrative description of the strategy that would be utilized to provide the best balance of cost efficiency and construction..
- b. **Use of Subcontractors.** If any work will be subcontracted, describe the following:
 - i. Work that will be subcontracted.
 - ii. The process used to select the subcontractors.
 - iii. The subcontractor's experience and expertise.
 - iv. The names of the firms/individual(s) who will perform the subcontracted work.
 - v. How quality of service will be monitored and ensured.
- c. **Standards.** Describe or address the following:
 - i. The standards that the services will satisfy. (If standards of a professional association will be followed, identify the standards and the association.)

- ii. How quality of service will be monitored and ensured.
 - iii. Whether "best practices" will be followed. (If applicable, identify the organization and/or document establishing such standards.)
- d. **Security of Data.** If the services to be rendered require the collection and/or use of confidential and/or personal data, confirm the following:
 - i. Has your firm established and used a policy to address the security of paper and electronic data? (***Please do not submit a copy of your security policy.***)
 - ii. Does your policy address the removal of confidential and/or personal data from storage media? (For example, does your firm's policy include the removal or "wiping" of data from hard drives when a computer is no longer used?)
- e. **Copyrighted Materials.** If the services require the production of a written product for the Authority, please acknowledge and/or confirm the following:
 - i. You agree that any and all products produced as a result of this contract shall be the property of the Authority.
 - ii. You agree that the Authority shall (a) hold a copyright on all materials or products produced under the contract and (b) be allowed to file for a copyright with the United States Copyright Office.
 - iii. You acknowledge that submitted documents will not contain in part or whole copyrighted materials.

5. Price Proposal & Budget

- a. **Price Proposal.** All rates quoted in proposals submitted in response to this RFP will be a fixed price for the duration of the contract. Change orders will be permitted if necessary.
- b. **Project Pro-Forma.** Include in the proposal a projection of, the total costs and fees to complete the project inclusive of operating costs.
- c. **Budget.** Include in the proposal a line item budget identifying all expenses related to the work to be performed. By submitting the bid, the Bidder acknowledges that it bears the risk that its expenses may exceed the proposed amount and that any change orders that add to the proposed amount will have to be justified in writing and approved prior to work taking place. Please submit a detailed breakdown showing the different components of the budget including the services that will be required and the specific costs relating to those services. The budget should include applicable items, which may include the following:

- i. Staff costs (# of hours/per hour rate, etc.).
- ii. Costs of supplies and materials.
- iii. Other direct costs.
- iv. Transportation costs.
- v. Total budget.

6. Schedule/Timeline. Bids must include a schedule for delivery of services set forth in **Exhibit A - Scope of Work** and cite the proposed deadlines for completing the tasks within the Scope. All work must be completed by **December 31, 2014**.

Please include a detailed pro-forma projection showing the estimated costs relating to the services being provided.

Include a timetable indicating how the project will be scheduled. The timetable should include: (1) any initial steps involved with determining the best strategy for completing the development and the project timeline; (2) initial meetings with interested parties to coordinate first steps and inform of the strategy and timeline; (3) timeline for securing any subcontractors necessary to perform required services; (4) monthly reports) (5) final Project Completion Report; and (6) any other steps within the specific proposal that will have a specifically outlined timetable.

7. Disclosure of Participation and Interests in Authority Programs.

- a. **Disclosure of Interests in Authority Programs.** Authority programs include, but are not limited to, any loans where the Authority is the lender, and any grants made by or administered by the Authority. Submit a list of all interests that the Bidder, its officers, board members, and employees respectively have in Authority programs. If the Bidder intends to use independent contractors or subcontractors to render services, include the interests that independent contractors or subcontractors and their officers, board members, and employees respectively have in Authority programs.
- b. **Potential Conflicts of Interests.** Please confirm whether any potential conflict of interest will exist if the Authority enters into a contract with the Bidder. Indicate in the proposal whether the Bidder is currently under contract or is receiving a grant from the Authority. Other potential conflicts of interest may arise from the Bidder's officers, employees, members, board members, independent contractors or subcontractors the Bidder will use to render services if the firm enters into a contract with the Authority.
- c. **Family Members Who Work for Authority.** Please list the names of the Bidder's officers, board members, and employees who have family members

who work for the Authority and the names of the family members who work for the Authority.

- 8. Signature Clause to be Signed by Bidder's Authorized Signatory.** Insert into the proposal and have an authorized signatory sign the following signature clause at the end of the proposal:

I confirm that I have submitted this proposal on behalf of _____ in response to the Michigan State Housing Development Authority's Request for Proposals to manage the construction completion of Project Liberty.

By: _____

Its: _____

Date: _____

III. Selection of Proposal

The selection of a proposal shall be subject to a review by the Authority's Legal Affairs Division concerning conflicts of interest and/or participation in Authority programs by the Bidder, its officers, employees, subcontractors or independent contractors.

A. Selection Criteria. The Authority will select the proposal based on Selection Criteria listed below (**Most qualified Bid will be selected**):

- | | | |
|----|---|---------------|
| 1. | Experience, education or certification of employees | (5 Points) |
| 2. | Communication skills, including clarity of proposal and writing sample | (5 Points) |
| 3. | Adequacy of proposed methodology, staffing, and time frames for performing services | (10 Points) |
| 4. | Prior firm experience dealing with similar assets under similar scenarios | (15 Points) |
| 5. | Reasonableness and feasibility of construction budget | (15 Points) |
| 6. | A. Section 3 Certified Contractor/Subcontractors | (10 Points) |
| | B. Section 3 plan for meeting Section 3 requirements | (10 Points) |
| 7. | Bidder/Contractor must have prior single family rehab experience; list examples | (12.5Points) |
| 8. | Bidder/Contractor must have prior NSP2 or equivalent experience | (12.5 Points) |
| 9. | Contractor must have current MI residential Builder's License | (5 Points) |

Total Possible Points: 100 Points

B. Expected Deadline for Selecting Proposal. The Authority anticipates notifying the selected bidder on or before April 30, 2014 via e-mail; however, the selection may be contingent on approval by the Michigan Civil Service Commission and the Authority's Board.

C. Cancellation of Selected Proposal. The selection of a proposal by the Authority may be cancelled at any time prior to the complete execution of a contract. If the Authority cancels its selection of a proposal, the Authority may repost this or a similar RFP and re-seek proposals. Reasons for canceling the selected proposal may include, but are not limited to, the following:

1. Refusal of Department of Civil Service to process required forms.
2. Refusal of duly authorized Authority signatory to execute the contract.

Exhibit C



**MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
REQUEST FOR PROPOSAL**

EXHIBIT C

CERTIFICATE VERIFYING KEY PERSONS

See appended document titled

**CERTIFICATE VERIFYING KEY PERSONS OF THE
CONTRACTOR/SUBGRANTEE**

CERTIFICATE VERIFYING KEY PERSONS OF THE CONTRACTOR/SUBCONTRACTOR

The Contractor/Subgrantee acknowledges that the following personnel are Key Persons of the Contractor/Subgrantee in accordance with Section VIII of the Request for Proposal:

(1) Name _____
(Print or type Name above line)

Title with Contractor/Subgrantee _____

Is the Key Person a retiree who receives a pension from the Michigan State Employees Retirement System? Yes _____/No _____

(2) Name _____
(Print or type Name above line)

Title with Contractor/Subgrantee _____

Is the Key Person a retiree who receives a pension from the Michigan State Employees Retirement System? Yes _____/No _____

(3) Name _____
(Print or type Name above line)

Title with Contractor/Subgrantee _____

Is the Key Person a retiree who receives a pension from the Michigan State Employees Retirement System? Yes _____/No _____

Print or Type Contractor/Subgrantee Name Above Line

By: _____ Date _____
Signature Date

Name of Signatory for Contractor/Subgrantee: _____
Print/Type Name of Signatory Above Line

Its: _____

Federal Identification Number: _____

Pensioned Retirees (2007, MCL 38.68) (12/7/07 Rev)
Exhibit – Certificate Verifying Key Persons of the Contractor

Exhibit D

**MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
REQUEST FOR PROPOSAL**

EXHIBIT D

ORGANIZATION BACKGROUND CHECKLIST

In order to submit a proposal, firms must submit the following organizational documentation as outlined below. Submissions may be sent to the contact person as described in both Section IV of the Request for Proposal and Exhibit B - Proposal Instructions and Selection Criteria:

- Articles of Incorporation**
- Organizational Bylaws**
- List of Board of Directors and Officers, including titles**
- W-9 Request for Taxpayer Identification Number & Certification (see Exhibit I)**
- CHDO Tax ID Number (if applicable)**
- Signatory authority (if not addressed elsewhere)**
- Certificate of Good Standing (dated within the last 30 days) issued by the Corporations, Securities, and Licensing Bureau of the Michigan Department of Licensing and Regulatory Affairs (if applicable).
(<http://www.dleg.state.mi.us/bcsc/forms/corp/fax/274.pdf>)**
- Evidence of 501(c)(3) status (if applicable)**

Exhibit E

**MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
REQUEST FOR PROPOSAL**

EXHIBIT E

CERTIFICATE REGARDING DEBARMENTS

**See appended document titled
CERTIFICATE REGARDING DEBARMENT, SUSPENSION AND OTHER
RESPONSIBILITY MATTERS FORM**

Certifications and Representations

The Vendor must complete this section and submit with their bid or proposal. Failure or refusal to submit any of the information requested in this section may result in the Vendor being considered non-responsive and therefore ineligible for award consideration.

() Enclosed are annual certifications and representations

Introduction

Bidder Identification

Vendor Name: _____

() Federal ID Number: _____ (TIN or social security number)

() DUNS Number: _____

Vendor is not required to have a DUNS number, but if Vendor does have one it must be listed.

Changes to Information

If any of the certifications, representations, or disclosures indicated in this document change during consideration of the Vendor’s responses or after awarding of a contract, the Vendor is required to report those changes immediately to the Michigan State Housing Development Authority (the “Authority”), **(INSERT CONTACT INFORMATION)**

_____ (Initial)

False Information

If it is determined that a Vendor purposely or willfully submitted false information, the Vendor will not be considered for award, the Authority may pursue debarment of the Vendor, and any resulting Contract that may have been established will be terminated. If the Authority believes that grounds to debar exist, it shall, pursuant to the Michigan Administrative Code Rules 125.211-125.216, send notice to the Vendor of proposed debarment indicating the grounds for proposed debarment and the procedures for requesting a hearing

_____ (Initial)

Representations

A. Subcontractors

- 1. The Vendor shall require each Subcontractor whose subcontract will exceed \$25,000 to disclose to the Vendor, in writing, whether, as of the time of the submission of Vendor’s response to this RFP, the Subcontractor or its principals is debarred, suspended, or proposed for debarment by the State. The Vendor shall then inform the Authority of the Subcontractor’s status in its response and

provide reasons for the Vendor's decision to use Subcontractor, if the Vendor so decides.

2. Indicate below **ALL** work to be subcontracted under any resulting Contract (use additional attachment if necessary; estimates are acceptable):

Description of Work to be sub-contracted	Percent (%) of total contract value to be sub-contracted	Sub-contractor's name and principal place of business (City and State)

Disclosures

Vendor Compliance with State and Federal Law and Debarment

1. The Vendor certifies, to the best of its knowledge that within the past (3) years, the Vendor, an officer of the Vendor, or an owner of a 25% or greater interest in the Vendor:

Has _____ Has Not _____ been convicted of a criminal offense incident to the application for or performance of an Authority or State contract or subcontract;

Has _____ Has Not _____ been convicted of any offense which negatively reflects on the Vendor's business integrity, including but not limited to embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, state or federal antitrust statutes;

Has _____ Has Not _____ been convicted of any other offense, violated any other state or federal law, as determined by a court of competent jurisdiction or an administrative proceeding, which, in the opinion of the Authority, indicates that the Vendor is unable to perform responsibly or which reflects a lack of integrity that could negatively impact or reflect upon the Authority or State.

- a. An offense or violation under this paragraph may include, but is not limited to, an offense under or violation of:

Has _____ Has Not _____ failed to substantially perform an Authority or State contract or subcontract according to its terms, conditions, and specifications within specified time limits;

Has _____ Has Not _____ violated Authority or State bid solicitation procedures or violated the terms of a solicitation after bid submission;

Has _____ Has Not _____ refused to provide information or documents required by a contract including, but not limited to information or document necessary for monitoring contract performance;

Has _____ Has Not _____ failed to respond to requests for information regarding Vendor's performance, or accumulated repeated substantiated complaints regarding performance of a contract/purchase order; and

Has _____ Has Not _____ failed to perform an Authority or State contract or subcontract in a manner consistent with any applicable state or federal law, rule, regulation, order, or decree.

2. For purposes of this Section, "Principals" means officers, directors, owners, partners, and any other persons having primary management or supervisory responsibilities within a business entity. The Vendor certifies and represents, to the best of his knowledge that the supplier and/or any of its Principles:

Are _____ Are Not _____ presently debarred, suspended, proposed for debarment, or declared ineligible for the award of a purchase by any state or federal agency;

Has _____ Has Not _____ not with in a 3-year period preceding this RFP, been convicted or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) purchase.

Are _____ Are Not _____ presently indicted for, or otherwise criminally or civilly charged by a governmental entity with, the commission of the any of the offenses enumerated in section 3.1(c) of this Contract.

Has _____ Has Not _____ within a 3-year period preceding this solicitation had one or more purchases terminated for default by any state or federal agency.

3. The Vendor shall provide immediate written notice to the Authority if, at any time before the purchase award, the Vendor learns that its certification was erroneous

when submitted or has since become erroneous because of changed circumstances.

4. A certification that the Vendor or its Subcontractors is presently debarred, suspended, proposed for debarment or declared ineligible for award of a purchase by any state or federal agency will not necessarily result in withholding an award under this solicitation. However, the certification will be considered in connection with a determination of the Vendor's responsibility. Failure to furnish the certification or provide such information as requested by the Authority may render the Vendor response non-responsive.
5. Nothing contained in this Section shall be construed to require establishment of a system of records in order to render, in good faith, the certification required this Section. The knowledge and information of a Vendor is not required to exceed that which is normally possessed by a prudent person in the ordinary course of commercially reasonable dealings.
6. If it is later determined that the Vendor knowingly rendered an erroneous certification under this Section, in addition to the other remedies available to the Authority, the Authority may terminate any resulting contract for default.

_____ (Initial)

Employee and Subcontractor Citizenship

The Vendor certifies that all employees, contractors, Subcontractors, and any other individual involved in the performance of this Contract, **except those listed below**, are citizens of the United States, legal resident aliens, or individuals with valid visa (use additional attachment if necessary; estimates are acceptable):

Employee Name	Title

_____ (Initial)

RFP Preparation

The Vendor shall notify the Authority in its bid proposal, if it or any of its Subcontractors, or their officers, directors, or key personnel has assisted with the drafting of this RFP, either in whole or in part. This includes the conducting or drafting of surveys designed to establish a system inventory, and/or arrive at an estimate for the value of the solicitation.

The Vendor hereby certifies that it HAS _____, HAS NOT _____ assisted in the development of this RFP.

Except for materials provided to all Vendors as part of this RFP, the Vendor shall provide a listing of all materials provided by the Authority to the Vendor containing information relevant to this RFP, including, but not limited to: questionnaires, requirements lists, budgetary figures, assessments, white papers, presentations, RFP draft documents. The Vendor shall provide a list of all State employees with whom any of its personnel, and/or Subcontractors' personnel has discussed the RFP after the issuance date of the RFP.

AS THE AUTHORIZED CERTIFYING OFFICIAL, I HEREBY CERTIFY THAT THE ABOVE SPECIFIED CERTIFICATIONS ARE TRUE.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL

TYPED NAME AND TITLE

DATE

Exhibit F

**MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
REQUEST FOR PROPOSAL**

EXHIBIT F

W-9 REQUEST FOR TAXPAYER IDENTIFICATION NUMBER AND CERTIFICATION

See appended document titled

**W-9 REQUEST FOR TAXPAYER IDENTIFICATION NUMBER AND
CERTIFICATION**

Request for Taxpayer Identification Number and Certification

Give Form to the
requester. Do not
send to the IRS.

Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return)	
	Business name/disregarded entity name, if different from above	
	Check appropriate box for federal tax classification (required): <input type="checkbox"/> Individual/sole proprietor <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate	
	<input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____	
	<input type="checkbox"/> Other (see instructions) ▶ _____	
Address (number, street, and apt. or suite no.)		Requester's name and address (optional)
City, state, and ZIP code		
List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number										
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Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Employer identification number																						
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Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here	Signature of U.S. person ▶	Date ▶
------------------	----------------------------	--------

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

Other entities. Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name/disregarded entity name" line.

Exempt Payee

If you are exempt from backup withholding, enter your name as described above and check the appropriate box for your status, then check the "Exempt payee" box in the line following the "Business name/disregarded entity name," sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

The following payees are exempt from backup withholding:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),

2. The United States or any of its agencies or instrumentalities,

3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,

4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or

5. An international organization or any of its agencies or instrumentalities.

Other payees that may be exempt from backup withholding include:

6. A corporation,

7. A foreign central bank of issue,

8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,

9. A futures commission merchant registered with the Commodity Futures Trading Commission,

10. A real estate investment trust,

11. An entity registered at all times during the tax year under the Investment Company Act of 1940,

12. A common trust fund operated by a bank under section 584(a),

13. A financial institution,

14. A middleman known in the investment community as a nominee or custodian, or

15. A trust exempt from tax under section 664 or described in section 4947.

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 9
Broker transactions	Exempt payees 1 through 5 and 7 through 13. Also, C corporations.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 7 ²

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney, and payments for services paid by a federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited Liability Company (LLC)* on page 2), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at www.ssa.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, below, and items 4 and 5 on page 4 indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on the "Name" line must sign. Exempt payees, see *Exempt Payee* on page 3.

Signature requirements. Complete the certification as indicated in items 1 through 3, below, and items 4 and 5 on page 4.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,
- The U.S. grantor or other owner of a grantor trust and not the trust, and
- The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS a percentage of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Also see *Special rules for partnerships* on page 1.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account, for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name/disregarded entity name" line.

Partnership, C Corporation, or S Corporation. Enter the entity's name on the "Name" line and any business, trade, or "doing business as (DBA) name" on the "Business name/disregarded entity name" line.

Disregarded entity. Enter the owner's name on the "Name" line. The name of the entity entered on the "Name" line should never be a disregarded entity. The name on the "Name" line must be the name shown on the income tax return on which the income will be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a domestic owner, the domestic owner's name is required to be provided on the "Name" line. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on the "Business name/disregarded entity name" line. If the owner of the disregarded entity is a foreign person, you must complete an appropriate Form W-8.

Note. Check the appropriate box for the federal tax classification of the person whose name is entered on the "Name" line (Individual/sole proprietor, Partnership, C Corporation, S Corporation, Trust/estate).

Limited Liability Company (LLC). If the person identified on the "Name" line is an LLC, check the "Limited liability company" box only and enter the appropriate code for the tax classification in the space provided. If you are an LLC that is treated as a partnership for federal tax purposes, enter "P" for partnership. If you are an LLC that has filed a Form 8832 or a Form 2553 to be taxed as a corporation, enter "C" for C corporation or "S" for S corporation. If you are an LLC that is disregarded as an entity separate from its owner under Regulation section 301.7701-3 (except for employment and excise tax), do not check the LLC box unless the owner of the LLC (required to be identified on the "Name" line) is another LLC that is not disregarded for federal tax purposes. If the LLC is disregarded as an entity separate from its owner, enter the appropriate tax classification of the owner identified on the "Name" line.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, social security number (SSN), or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Publication 4535, Identity Theft Prevention and Victim Assistance.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes.

Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: spam@uce.gov or contact them at www.ftc.gov/idtheft or 1-877-IDTHEFT (1-877-438-4338).

Visit IRS.gov to learn more about identity theft and how to reduce your risk.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ³
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ¹
5. Sole proprietorship or disregarded entity owned by an individual	The owner ³
6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulation section 1.671-4(b)(2)(i)(A))	The grantor ⁴
For this type of account:	Give name and EIN of:
7. Disregarded entity not owned by an individual	The owner
8. A valid trust, estate, or pension trust	Legal entity ⁴
9. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
10. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
11. Partnership or multi-member LLC	The partnership
12. A broker or registered nominee	The broker or nominee
13. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulation section 1.671-4(b)(2)(i)(B))	The trust

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or "DBA" name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 1.

*Note. Grantor also must provide a Form W-9 to trustee of trust.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

Exhibit G



**MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
REQUEST FOR PROPOSAL**

EXHIBIT G

RETIREE REHIRE CERTIFICATION

**See appended document titled
RETIREE REHIRE CERTIFICATION**



Department of Technology, Management & Budget
 Office of Retirement Services
 www.michigan.gov/ors (800) 381-5111
 P.O. Box 30171
 Lansing MI 48909-7671

Retiree Rehire Certification

For State of Michigan Retirees

Complete this form if you retired from the state of Michigan, receive a pension, and are subsequently rehired by the state. For more information, see the back of this form and go to www.michigan.gov/orsstatedb, and navigate to the *After You Retire, Working After You Retire* section.

Section 1: To be completed by the retiree.

RETIREE NAME (LAST, FIRST, M.I.)	SSN/MEMBER ID	DAYTIME TELEPHONE ()
STREET ADDRESS	CITY, STATE, ZIP CODE	
<ul style="list-style-type: none"> I understand that Defined Benefit retirees of the State Employees Retirement System who become employed by the State of Michigan as an employee, independent contractor, or through a contractual arrangement with another party, agree to forfeit their state pension for the duration of the reemployment. I understand that former qualified participants of the State of Michigan Defined Contribution Plan who transferred from the Defined Benefit plan to the Defined Contribution plan, retired under the 2002 Early Out, and became reemployed as described above, forfeit their retirement allowance payment for the duration of the reemployment. However, the Defined Contribution account(s) and any associated payouts would not be affected. I understand that if I am employed by the state of Michigan for any period of time within the month, I forfeit the entire pension payment for that month. I understand that I am required to repay any previous state of Michigan pension payments received in error while working for the state of Michigan as a retiree. I understand that in order to reinstate my pension payments, I must inform the Office of Retirement Services (ORS) in writing when my reemployment with the state of Michigan ends. I understand that I can only be enrolled in one State group insurance plan, either the retiree or active employee group insurance plan. Please check one box: <ul style="list-style-type: none"> <input type="checkbox"/> I am currently enrolled in the retiree group insurance plan and choose to remain in this plan. I understand that ORS will bill me directly for the retiree cost share of this insurance plan. <input type="checkbox"/> I am currently enrolled in the retiree group insurance plan and choose to cancel my enrollment in this plan. <input type="checkbox"/> I am not currently enrolled in the retiree group insurance plan. <p><i>In accordance with Public Act 240 of 1943, as amended, I certify that I am retired from the state of Michigan and I understand the conditions specified above.</i></p>		
RETIREE'S SIGNATURE	DATE SIGNED	

Section 2: To be completed and signed by the employing agency.

I certify that the above individual will be employed with the state of Michigan starting ____/____/20____.		
EMPLOYING AGENCY NAME	EMPLOYING AGENCY CONTACT NAME (PRINT)	TELEPHONE NUMBER
EMPLOYING AGENCY ADDRESS	EMPLOYING AGENCY CONTACT SIGNATURE	DATE SIGNED
If the employing agency listed above is a temporary employment or contracting agency, provide the state of Michigan department/agency contact information below and send a copy of the completed form to the department listed.		
SOM DEPARTMENT NAME	SOM DEPARTMENT CONTACT NAME	TELEPHONE NUMBER

Employing agency return the completed form to:

Office of Retirement Services, P.O. Box 30171, Lansing, MI 48909-7671

R0792G (Rev. 10/2010)
 Authority: 1943 P.A. 240, as amended



Exhibit H

CONSTRUCTION CONTRACT – PROJECT LIBERTY

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- A. Legal Descriptions and Addresses for the Property
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- 5. Statement of Assurances
- 6. Payment Request Form
- 7. Program Guidelines
- 8. Superseding Provisions

CONSTRUCTION CONTRACT – PROJECT LIBERTY

THIS CONSTRUCTION CONTRACT (the "Contract") is entered into as of April ____, 2014, by and between [TBD], a Michigan corporation, whose address is _____, (the "Contractor") and ASSET MANAGEMENT NON-PROFIT HOUSING CORPORATION III, a Michigan non-profit corporation, whose address is 735 East Michigan Avenue, Lansing, Michigan 48912 (the "Owner"). The Contractor and the Owner may be collectively referred to herein as the "Parties."

RECITALS:

- A. The Owner wishes to complete rehabilitation of a housing project for persons of low and moderate income or the elderly on certain real property described in **Exhibit A** (the "Property").
- B. The development is identified as **Project Liberty**, and is located in Hamtramck, Wayne County, Michigan (the "Development").
- C. The Michigan State Housing Development Authority (the "Authority") has agreed to provide funding (the "Funding") to the Owner to aid in financing the acquisition of the Property and/or the completion of the rehabilitation of the Development.
- D. The Authority's rights and powers with respect to the rehabilitation and operation of the Development are set forth in the documents to be executed by the Owner and the Authority in connection with the Funding (the "Funding Documents") and in Public Act No. 346 of 1966 of the State of Michigan, as amended (the "Act") and the Rules promulgated under the Act.
- E. All capitalized terms used in this document, if not defined herein, shall have the meaning ascribed to them in the General Conditions of the Construction Contract (the "General Conditions").

NOW, THEREFORE, the Owner and the Contractor, for the considerations described below, agree as follows:

SCOPE OF CONTRACT

Contract Documents. The "Contract Documents" shall mean and collectively refer to this Contract; the General Conditions and Exhibits B-GC, C-GC and D-GC thereto; the Trade Payment Breakdown (Exhibit B); the Specifications dated _____, identified in Exhibit C and Drawings dated _____, identified in Exhibit D (collectively, the "Drawings and Specifications") along with such additional plans, drawings, profiles, typical cross-sections, general cross-sections, working drawings and supplemental drawings and any amendments as may be approved by the Owner and the Authority; the Contractor's Equal Employment Opportunity Plan, as approved by the Authority (Exhibit E); the Contractor's Payment and Performance Bonds; NSP2 and Garrett Requirements (Exhibit F); and all other written agreements between the Owner and the Contractor relating to rehabilitation of the Development and delivered to the Authority.

Identity of Architect. The Drawings and the Specifications have been prepared by Steven C. Flum, Inc. (the "Architect").

Master Drawings and Specifications. A master set of the Drawings and Specifications initialed by the parties, the Architect, and the Contractor's surety or guarantor have been placed on file with the Authority, and such master set, as amended from time to time pursuant to Section 105 of this Contract, shall govern in all matters which shall arise with respect to such Drawings and Specifications. .

Interpretation of Contract Documents. The Contract Documents shall constitute the sole understanding of the Parties notwithstanding any prior oral or written statements, instructions, contracts, representations or other communications. The Contract Documents are complementary, and what is required by any one of them shall be construed as binding on the Parties as if required by all Contract Documents. The Contract Documents are intended to agree with each other and be mutually explanatory, and shall be accepted and used as a whole and not separately. In the event of any conflict between the Contract Documents, the terms of this Contract shall prevail over any inconsistent provision in any other Contract Document. As between the Drawings and the Specifications, the terms of the Specifications shall prevail over any inconsistent provision in the Drawings. The intention of the Contract Documents is to include all labor, materials, equipment and other items necessary for the proper execution and completion of the work contemplated by the Construction Documents (such work being herein after referred to as the "Work"). It is not intended that any work not covered under any heading, section, branch, class or trade of the Specifications shall be supplied unless it is required elsewhere in the Contract Documents or is reasonably inferable therefrom as being necessary to produce the intended results. Words having technical or trade meanings or defined in a specific program applicable to the Development are used herein in accordance with such recognized meanings.

Changes in Contract Documents. All changes in the Drawings and Specifications or any terms of the Contract Documents, or in any Work, must be approved by the Owner and shall be submitted to, and placed on file with, the Authority. No change in the Drawings and Specifications or in the terms of the Construction Documents that would (i) change the scope of the Work or (ii) add to or reduce the cost of constructing and completing the Development in strict accordance with the Drawings and Specifications may be made except in accordance with the Authority's Administration of Change Orders policy. Changes in the design concept can be made only with the written approval of the Architect. No changes may be made to the Contract or the General Conditions without the prior written approval of the Authority.

Work to be Performed. The Contractor shall provide all materials, supplies, tools, equipment, labor and professional and non-professional services, and shall perform all other acts and supply all other things (including, but not limited to, all light, power, water and sanitary facilities for workmen during the progress of the Work) necessary to complete the Development and related facilities as described in the Contract Documents, including all items expressly specified and such additional items as may reasonably be inferred, saving and excepting only those items that are specifically stated in the Contract Documents not to be the obligation of the Contractor.

Work Performance Standard. The Work shall equal or exceed the standards required by the Contract Documents.

Interim Management of Development. It is understood and agreed by the Contractor that the Owner has contracted with KMG (the "Manager") to secure the properties in the Development from break-ins, vandalism and damage arising therefrom, and to provide insurance coverage on the properties as specified by the Owner. The Contractor shall coordinate its performance under

this Contract with the Manager. The Owner shall provide appropriate instructions to the Manager to provide the Contractor with access to the properties. No actions taken by the Manager shall alleviate the Contractor, in any manner, from the performance by the Contractor of its obligations and responsibilities under this Contract.

RIGHTS OF AUTHORITY

Authority Not Liable. The Contract Documents are intended to govern the rights of the Owner and the Contractor between themselves, and all references to the Authority in the Contract Documents are made to satisfy obligations of the Owner to the Authority under the Funding Documents, and the Act. The parties agree and recognize that the terms of this Contract constitute an inducement to the Authority to make the Funding, but nothing contained in this Article 2 or in any other provision of the Contract Documents shall be construed to make the Authority a party to this Contract, and none of the Contract Documents shall be construed to bind or obligate the Authority or its agents or employees as a result of or arising out of this Article 2 or any other provision of the Contract Documents. The foregoing is not intended to limit any rights the Authority may have, however, as a third party beneficiary under this Contract.

Authority's Right to Complete. In the event of the failure of the Owner to perform its obligations to the Authority under the Funding Agreement between the Owner and the Authority (the "Funding Agreement"), the Authority may, but shall not be obligated to, undertake the completion of the Development in accordance with this Contract as attorney-in-fact for the Owner. In the event that the Authority so undertakes the completion of the Development as attorney-in-fact for the Owner, the Contractor shall continue to be bound by the terms of this Construction Contract and all rights of the Owner shall accrue to the Authority.

Authority Access to Development. The Authority and its authorized agents shall have the right of entry and free access to the Development and any other location or locations where materials, equipment or fixtures intended for use in connection with the Work may be stored pending such use, and the right to inspect all Work done and materials, equipment and fixtures furnished, installed or stored in and about the Development. For such purposes, the Contractor shall furnish whatever enclosed office space, including telephone, as the Authority may from time to time require and find acceptable as to location, size, accommodations and furnishings.

Actions on Behalf of Authority. Except as otherwise provided, the following officers of the Authority are authorized to give any approval or notice or take any action on behalf of the Authority in connection with the administration of this Contract: the Executive Director, the Deputy Director, the Director of Finance, the Director of Legal Affairs, the Acting Deputy Director of Legal Affairs, or any person duly appointed to act in that capacity. The Physical Portfolio Manager is authorized to approve the Trade Payment Breakdown. The Authority's Chief Architect is authorized to approve the initial Drawings and Specifications prepared by the Architect. The Director of Equal Employment Opportunity and Construction Disbursements is authorized to approve the Work for the purpose of disbursements and to issue the Authority's "Permission to Occupy." The Director of Equal Employment Opportunity and Construction Disbursements is authorized to approve the Contractor's Equal Employment Opportunity Plan and to monitor its implementation. This includes approval of the selection of subcontractors as set forth in Article XV of the General Conditions for the purpose of certifying compliance with the Authority's Equal Employment Opportunity requirements. The term "Authorized Officer of the Authority" refers to the foregoing employees of the Authority when acting within the scope

of their authority. Any reference to any action, consent or decision to be made by the Authority shall mean the action, consent or decision of an Authorized Officer of the Authority.

CONTRACTOR'S REPRESENTATIONS AND WARRANTIES

Representations and Warranties. The Contractor represents and warrants to the Owner that:

It is a Michigan corporation duly organized, validly existing and in good standing under the laws of the State of Michigan and has the requisite power and authority to perform its obligations under the Contract Documents.

All necessary proceedings have been taken to authorize the execution, delivery and performance of the Contract Documents.

It is fully licensed under any applicable law and authorized to do business in the State of Michigan in the name of the entity identified as the Contractor in this Contract.

It is financially solvent and has sufficient working capital to complete the Work, construct the Development and otherwise perform its obligations under the Contract Documents.

It is experienced and skilled in the rehabilitation of residential developments of the type described in the Contract Documents.

It is able to furnish the labor, materials, equipment and machinery necessary to complete the Work for the agreed upon price.

It has visited the job site and examined its nature and location, including without limitation: the surface condition of the land and any structures or obstructions both natural and man-made, and the surface water conditions of the site and surrounding area; the availability, location and adequacy of electric and natural gas utility lines and water, sanitary and storm sewer lines. Based upon this examination, the Contractor is satisfied that the Development can be constructed in accordance with the Contract Documents.

It has reviewed and accepted the Drawings and Specifications; the Drawings and Specifications are satisfactory to the Contractor; and the rehabilitation of the Development in accordance therewith will comply with all building codes, applicable provisions of the zoning ordinance, and all other laws and regulations that are applicable to the rehabilitation of the Development.

No work, materials or equipment covered by an Application for Payment will have been acquired by the Contractor or by any other person performing the Work on the Property or furnishing materials and equipment for the Development subject to a contract under which an interest therein or an encumbrance thereon is retained by the seller or otherwise imposed by the Contractor or such other person.

Identity of Interest with Subcontractor or Supplier.

The Contractor certifies that there is no common ownership or family relationship existing between the Contractor and the Owner except as set forth in the Contractor's Certificate of Identity of Interest attached hereto. For purposes of this Section 302, "Contractor" shall include: (i) the Contractor or any officer or director of the Contractor, or any stockholder, member, partner or person holding ten percent (10%) or more of the voting stock or voting

rights of the Contractor, or (ii) any person holding, directly or indirectly, a financial interest of ten percent (10%) percent or more in the Contractor or (iii) any member of the family of any officer or director of, or any stockholder, member, partner or person holding (directly or indirectly) a financial interest in, the Contractor. The Contractor further represents to the Owner and the Authority that the Contractor is not a Subcontractor or Supplier or Equipment Lessor contracting for work at the Development, does not hold ten percent (10%) or more of the voting stock or voting rights of any such Subcontractor or Supplier or Equipment Lessor, and does not hold (directly or indirectly) a financial interest of ten percent (10%) or more in any such Subcontractor or Supplier or Equipment Lessor. The Contractor agrees to give written notification and obtain the approval of the Owner and the Authority before entering into any contract on this job with any Subcontractor, Supplier or Equipment Lessor where there exists an identity of interest as defined in this section.

When (i) the Contractor or any officer or director of the Contractor, or any stockholder, member, partner or person holding ten percent (10%) or more of the voting stock or voting rights of the Contractor, or (ii) any person holding, directly or indirectly, a financial interest of ten percent (10%) percent or more in the Contractor, also (a) is a subcontractor or supplier or equipment lessor contracting for work at the Development, or (b) holds ten percent (10%) or more of the voting stock or voting rights of any such subcontractor or supplier or equipment lessor, or (c) holds (directly or indirectly) a financial interest of ten percent (10%) or more in any such subcontractor or supplier or equipment lessor, then the Contractor shall disclose in writing to the Authority the identity of the parties and their relationship prior to the performance of any Work, or furnishing of any material by such subcontractor or supplier or equipment lessor, and the Contractor shall certify simultaneously with the request for any payment to such subcontractor or supplier or equipment lessor, that the amount requested is a fair and reasonable price for the Work or materials.

The Contractor agrees that the following provision will be included in all subcontracts:

Representatives of the Michigan State Housing Development Authority shall have full and free access, during working hours, to all books of account and records of the subcontractor relating to the Work, as defined in the Contract Documents, including the right to make excerpts or transcripts from such books of account and records and related and supporting documents and statements, in the event that the Authority determines that there is an Identity of Interest (as defined in the Contract Documents) between the Owner and the subcontractor or the Contractor and the subcontractor.

TIME

Commencement and Completion of Work. The Contractor shall be obligated to exercise its best efforts to commence construction of the Work not later than five (5) days following execution of this Contract by both Parties, and shall finally complete the Work not more than **five (5)** months from the date that Work is commenced. All documentation required to be provided by the Contractor hereunder shall be delivered to the Owner and to the Authority prior to the start of construction. On the date of its execution of this Contract, the Contractor will provide written notice to the Owner and to the Authority of the date scheduled by the Contractor for commencement of the Work. In reliance on such notice, the Owner shall promptly record and post a Notice of Commencement in compliance with Michigan law, and the Contractor shall delay the start of Work until such Notice of Commencement has been so recorded and posted. For purposes of this Contract, the “Initial Closing” shall be deemed to have occurred on the date of the initial disbursement of construction funds by the Disbursing Agent (as defined herein).

Time is of the Essence; Damages for Delay. TIME IS OF THE ESSENCE TO THIS CONTRACT. If the Work is not finally completed by the expiration date of this Contract, as may be extended by change order, the Owner may deduct from any balance due or to become due the Contractor a sum equal to the actual costs incurred by the Owner for each day of delay until final completion. The Contractor's total liability under this clause shall be reduced by the amount of net operating income (gross income less expenses of operation) realized by the Development for the period on which damages are based. This clause shall in no way limit the Contractor's liability to the Owner for other costs incurred as a result of delay or for any costs incurred by the Owner or Authority in the event either of them completes rehabilitation of the Development.

CONTRACT PRICE

Total Contract Sum.

For the strict performance of all of its obligations under the Contract Documents, the Owner shall pay the Contractor the lesser of (i) the Actual Cost of Construction (as determined by the Owner and the Authority pursuant to Section 10.3 of the General Conditions) or (ii) the Contract price of Dollars (\$) as may be amended under Article XII of the General Conditions (the "Total Contract Sum").

The Total Contract Sum includes the net cost of the materials and equipment delivered and unloaded at the site, and all applicable taxes. The Total Contract Sum also includes the Contractor's handling costs on the site, labor, installation costs and overhead.

The Contractor understands that the Authority has agreed to provide to the Owner a sum not to exceed the amount of the Funding, which includes an amount for rehabilitation limited to the Total Contract Sum prior to any change orders made under Article XII of the General Conditions. The Contractor acknowledges and agrees that unless a Funding increase is authorized by the Authority, any funds over and above the Total Contract Sum (prior to any change orders made under Article XII of the General Conditions) that the Owner becomes obligated to pay the Contractor shall be paid by the Owner from funds other than Funding proceeds.

Collateral Fee or Profit Contracts. Any contract by the Owner to pay the Contractor a fee or profit or any compensation, no matter how characterized, that is in addition to the Total Contract Sum payable under Section 501 shall be considered a contract collateral to this Contract. The failure of the Owner to pay the Contractor any such fee, profit or additional compensation other than that set forth in Section 501 shall not constitute a breach of this Contract, nor shall it give the Contractor cause to refuse to perform or to terminate this Contract, nor shall it impose any obligation on the Authority to pay said fee or profit in the event it completes rehabilitation as the Owner's attorney-in-fact, nor shall it be considered a failure on the part of the Owner to pay the Contractor in accordance with this Contract within the meaning of any such provision in a payment or performance bond or completion assurance agreement, nor shall it give the Contractor the right to claim a construction lien for any sum not paid under such contract. The Contractor hereby expressly waives its right to claim a construction lien for the nonpayment of any fees or compensation in excess of the Total Contract Sum.

PROGRESS PAYMENTS

Applications for Disbursements.

The Owner and the Contractor have agreed to, and the Authority has approved, the Trade Payment Breakdown that is an estimate of the cost of the various components and quantities of work to be done for the purpose of making partial payments. The Trade Payment Breakdown may subsequently be amended by the Parties with the written approval of the Authority, to more accurately reflect the cost of the various divisions of work. Except as set forth in the Contractor's Performance Bond, any amendment may be effected without the approval of the Contractor's surety and will in no way modify or prejudice the rights of the Owner or the Authority under any bond posted by the surety.

Not more than once a month, and as of a date mutually agreed upon by the Contractor, the Owner and the Authority's Construction Division, the parties shall inspect the Work and, on the basis of the Trade Payment Breakdown, estimate the value of the labor and materials incorporated in the Work and materials suitably stored at the site. The Contractor shall request payment on the Authority's Application for Disbursement of Funding Proceeds (Form PSD 10:001/CD 260), together with the items listed below, and shall be entitled to receive a sum equal to 90% of the total of:

the estimated value of the Work approved by the Owner and the Authority (except as provided in Section 602.2.c.); plus

a percentage of the overhead and general requirements allowance in the Trade Payment Breakdown equal to the percentage of the Work acceptably completed; plus

a percentage of the builder's profit equal to the percentage of the Work acceptably completed, less the aggregate of all payments received previously for items (i), (ii) and (iii) as set forth below in this subsection. The Contractor shall deliver its request for payment to the Authority's Construction Division at least ten (10) working days before payment is desired, together with:

An updated survey prepared by a licensed professional surveyor or civil engineer, showing all improvements, structures and utilities (if any) installed on the property since the survey submitted to the Authority for the previous disbursement, and dated no earlier than thirty (30) days prior to the date of the disbursement for which the Contractor is applying, unless the Authority determines that a survey is not required for that disbursement;

An endorsement extending the title insurance policy insuring the Authority to cover the advance of proceeds from the Funding at the time of payment thereof, dated at least through the date of the Contractor's sworn statement for the disbursement for which the Contract has applied, in an amount equal to the payment received, and showing no construction or other liens against the Development or exceptions to the policy since the date of the policy or any subsequent endorsement provided hereunder, except such liens or other matters that either have been insured over by the title company or are acceptable to the Authority;

Copies of full or partial waivers of lien from the Contractor and each subcontractor, supplier or laborer for the full amount then due for work performed or material furnished prior to the inspection date; and

A copy of the General Contractor's sworn statement dated as of the date of inspection.

After the Authority has signed the Certificate for Payment on the Application for Disbursement of Funding Proceeds, the Owner shall make payment in the manner, and subject to the conditions, provided in this Contract.

Upon acquisition or production by the Contractor, title to all parts and materials acquired or produced by the Contractor for the performance of the Work shall forthwith vest in the Owner. It is understood and agreed that the risk of loss to property, title to which passes to the Owner solely by virtue of this Section 601.3, shall remain with the Contractor, except to the extent such property is covered by the Owner's property insurance policy.

It is mutually agreed that no payment made under this Contract, shall be evidence of the performance by Contractor hereunder, either wholly or in part. It is further agreed that no Certificate for Payment, progress payment, vesting of title under Section 601.3 or any partial or entire use or occupancy of the Development by the Owner shall be construed to be an acceptance of defective or improper materials or workmanship or shall constitute an acceptance of any Work not in accordance with the Contract Documents.

The Contractor waives any and all construction lien rights which have arisen in the performance of this Contract and further agrees that no payment shall be due so long as any lien or right *in rem* of any kind lies or has attached against the Work or materials, articles of equipment, or any part either for or on account of any work done upon or about work or materials, articles of equipment furnished or any other cause or thing, or any claims or demands of any kind. The Contractor agrees, and this Contract is upon the express condition, that no liens or rights *in rem* shall so lie or attach. In the event any liens do attach and are not promptly discharged or insured against by Liberty Title Agency, acting on behalf of Old Republic National Title Insurance Company (Liberty and Old Republic shall be collectively referred to herein as the "Title Insurance Company" or the "Disbursing Agent"), the Owner or the Authority may pay the lien holder directly from any sum due or to become due the Contractor, including the Contractor's holdback, or the Owner or Authority may deposit with the Title Insurance Company a sum sufficient to obtain insurance against the lien from any sum due or to become due the Contractor. The Owner or the Authority may furnish a copy of any payment bond or the completion assurance contract to any subcontractor or supplier who has furnished labor, materials or equipment in connection with the rehabilitation of the Development. In the event any lien or right *in rem* remains after final payment under this Contract, the Contractor shall reimburse the Owner or the Authority all expenses incurred by them in discharging such lien or rights *in rem*.

No partial payment will be made after the time fixed for Final Completion of the Work, or the time to which completion may be extended under the terms of this Construction Contract, until Final Completion of the Work, unless authorized in writing by the Authority.

The obligation of the Owner to make any of the payments required under this Contract shall be subject to:

Any unsettled claims against the Contractor for labor or materials;

Reasonable deductions on account of defects in materials or workmanship; and

Any claims the Owner may have against the Contractor under or in connection with this Contract. Any overpayments to the Contractor shall, unless otherwise adjusted, be repaid to Owner upon demand.

Release of Retainage.

The Contractor shall be entitled to receive a portion of the funds retained from each progress payment pursuant to the schedule specified in Section 602.2, if the Owner and the Authority determine that:

Rehabilitation is progressing on schedule;

After reducing the retainage by the amount requested, the undisbursed balance of the Contract exceeds by a reasonable amount the Authority's estimate of the cost to complete the Work;

The marketability of the buildings turned over to the Owner is not impaired because of incomplete adjacent site work or ongoing construction activities disruptive to prospective tenants; and

The Contractor is in compliance with the Contract Documents in all other respects.

If the conditions of Section 602.1 are satisfied, then upon completion of the following Work the Contractor shall be entitled to a reduction of its retainage in the amount set forth below.

With respect to all non-structure line items listed on the approved Trade Payment Breakdown, upon satisfactory completion of 90% of the Work, the Contractor shall be entitled to receive up to one-half of the amount previously withheld for such Work, provided that the amount of retainage shall not be reduced below five percent (5%) of the total estimated value of the completed Work, as determined by an Authorized Officer of the Authority, until such Work is 100% complete. Upon 100% completion of any such line item of Work, and provided that the Contractor has fulfilled the requirements of Section 601, and has provided any assignments of manufacturers' or subcontractors' warranties on materials or equipment as required by Section 701, then the remaining retainage for any such line item of Work may be reduced to 2-1/2% of the total estimated value of the completed Work. Any remaining retainage will be released at the time of the Contractor's Final Payment.

For any development consisting of a single building, with respect to all structure line items listed on the approved Trade Payment Breakdown, upon satisfactory completion of 50% of the Work, no further retainage shall be withheld for such Work. Upon 100% completion of any such line item of Work, and provided that the Contractor has fulfilled the requirements of Section 601, and has provided any assignments of manufacturers' or subcontractors' warranties on materials or equipment as required by Section 701, then the remaining retainage for any such line item of Work may be reduced to 2-1/2% of the total estimated value of the completed Work. Any remaining retainage will be released at the time of the Contractor's Final Payment.

For any development consisting of multiple buildings, with respect to the first 50% of the buildings that are satisfactorily completed, upon 100% completion of each such building and

its release for occupancy, the Contractor shall be entitled to receive the full amount of the funds previously retained for the Work incorporated in each such completed building. With respect to each building that is satisfactorily completed thereafter, the Contractor may receive up to one-half of the amount previously withheld for the building, provided that the remaining retainage shall not be reduced below 2-1/2% of the total estimated value of the Work incorporated into each such completed building until the provisions of Section 701 are fully complied with. If the total value of the Work incorporated into any building has not been separately estimated on the approved Trade Payment Breakdown, the Owner and the Authority shall together determine the value. Any remaining retainage will be released at the time of the Contractor's Final Payment.

With respect to preservation or acquisition and rehabilitation projects, the Contractor may be allowed to treat various structure line items of Work (as listed on the approved Trade Payment Breakdown) as non-structure line items of Work for the purpose of releasing retainage in accordance with subsection 2.a. above, but only with the prior approval of the Owner and the Authority. No such treatment will be allowed unless, in the sole judgment of the Authority, it facilitates completion of the Work, does not unduly inconvenience tenants, and assists in the fair treatment of subcontractors.

e. The Contractor agrees to reduce the retainage of the subcontractors whose work is incorporated in and attributable to such units or buildings as the Contractor's retainage is reduced, subject to such claims or setoffs the Contractor may have against a subcontractor. The Contractor shall, to the extent feasible, utilize retainage funds released pursuant to this section to first reduce the retainage held on subcontractors who have satisfactorily completed performance under their contracts. Amounts remaining shall be distributed on a pro rata basis to other subcontractors with respect to whose work retainage has been withheld, in an amount which reflects the relative amount of the Work performed by that subcontractor for which retainage funds have been disbursed.

All requests for reduction of retainage shall be made jointly by the Owner and the Contractor on the Authority's Application for Disbursement of Funding Proceeds (Form PSD 10:001/CD 260) and shall be accompanied by a title insurance endorsement in an amount equal to the payment requested.

Notwithstanding anything to the contrary as may be contained in the Construction Documents, all disbursements to be made under and pursuant to this Contract shall be coordinated, administered and processed by the Title Insurance Company, acting as sole disbursing agent for the Owner. The Contractor shall work with the Title Insurance Company, in a diligent and expeditious manner, to insure that all documentation required by the Title Insurance Company, as a precondition to each disbursement, shall be delivered to the Title Insurance Company together with each and every pay request. No payments whatsoever shall be authorized by the Owner or by the Authority to be made to the Contractor or to any other person working on the Development unless and until all such documentary requirements shall be fully satisfied, as determined in the sole discretion of the Title Insurance Company.

FINAL PAYMENT

Final Payment. The unpaid balance of the Total Contract Sum shall be due and payable to the Contractor fifteen (15) days after the Contractor satisfies all of the following conditions:

Final Completion of the Work as defined by Section 10.1 of the General Conditions.

Authority approval of the Contractor's final application for payment and completed Cost Certification, including the Certificate of the Actual Cost of Construction, pursuant to Section 10.3 of the General Conditions.

Receipt by the title insurer, and by the Authority of a duplicate, of the Contractor's final sworn statement that complies with Section 110 of the Construction Lien Act, listing all contractors, subcontractors and suppliers who have provided an improvement (as defined in the Construction Lien Act) to the Development. The final sworn statement shall also list all laborers who have provided a Notice of Furnishing or who have appeared on the Contractor's or any subcontractor's previous sworn statement as having had payments for wages, fringe benefits or withholdings due but not paid. The final sworn statement shall certify that there are no liens, claims or demands by subcontractors, suppliers, laborers, employees or third persons. The Contractor shall also submit to the title insurer final unconditional waivers of lien from all contractors, subcontractors or suppliers who have provided an improvement to the Development and final unconditional waivers of lien from all laborers with respect to whom a Notice of Furnishing has been provided or who have appeared on a previous sworn statement during the course of rehabilitation.

Establishment of an escrow for any incomplete or defective work to be performed at the Development, and compliance with the assurance of completion requirements in Section 901 of this Contract. The Owner shall be under no obligation to make Final Payment to the Contractor unless the Owner and Authority have received satisfactory guarantees from the Contractor and an escrow has been established to assure that any incomplete or defective items of Work will be completed promptly and in a satisfactory manner. All escrowed sums for work to be completed after Final Payment shall be disbursed in accordance with the terms of the escrow agreement between the Owner and the Authority. The Owner and Authority may require, as a guarantee of completion of incomplete or defective items of Work, that the Contractor escrow funds equal to 150% of the estimated cost to complete or correct the Work.

Assignment of all manufacturers' or subcontractors' warranties on material or equipment installed in the development.

Final compliance with any other Authority reporting requirements.

Contractor to Correct Defective or Deficient Work After Final Payment. Neither final acceptance of the Work, nor payment therefor, nor any provision of the Contract Documents shall relieve the Contractor of responsibility for defective or deficient materials or work.

Waiver of All Claims.

The making of final payment shall constitute a waiver of all claims by the Owner except those arising from:

Unsettled liens;

Faulty or defective Work discovered after Final Completion;

Failure of the Work to comply with the requirements of the Contract Documents; or

The terms of any special guarantees required by the Contract Documents.

The acceptance of Final Payment shall constitute a waiver of all claims by the Contractor except those previously made in writing and still unsettled.

INDEMNIFICATION

Indemnification of Owner, Authority, State and Architect.

The Contractor shall indemnify and hold the Owner, the Authority, the State of Michigan and the Architect, and their agents, officers and employees harmless from and against all claims, damages, losses and expenses, including but not limited to attorneys fees, arising out of or resulting from the performance or non-performance of the Work. The indemnification established pursuant to this Section 801 shall apply to any claim, damage, loss or expense which (a) is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property (other than the Work itself) including the loss of use resulting from the injury or destruction, and (b) is caused in whole or in part by any negligent act or omission, or any willful misconduct of the Contractor, any subcontractor, anyone directly or indirectly employed by any one of them, or anyone for whose acts any one of them may be liable. The indemnification established pursuant to this Section 801 shall apply regardless of whether the injury, sickness, disease, death, or to injury to or destruction of property is caused in part by a party indemnified by this Section. This obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity that would otherwise exist as to any party or person as described in this Section.

In any and all claims against the Owner, the Authority, the State of Michigan or the Architect or any of their agents, officers or employees by an employee of the Contractor, any subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the indemnification obligation under this Section 801 shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Contractor or any Subcontractor under workmen's compensation acts, disability benefit acts or other employee benefit acts.

The obligations of the Contractor under this Section 801 shall not extend to the liability of the Architect, its agents or employees arising out of the preparation or approval of drawings, surveys, designs or specifications.

The obligations of the Contractor under this Section will survive Final Completion of the Work and Final Payment.

ASSURANCE OF COMPLETION

Form of Assurance. USE FOR SURETY BOND The Contractor shall furnish to the Owner and the Authority assurance of completion of the Work in the form of a Performance Bond (Dual Obligee) (Legal Form 019) and a Payment Bond (Legal Form 020), each in the amount of \$_____ (100% of the Total Contract Sum). The assurance of completion furnished shall remain in effect for the duration of the Guarantee Period as defined in Article XIII of the General Conditions.

Form of Assurance. USE FOR LETTER OF CREDIT The Contractor shall furnish to the Owner and the Authority assurance of completion of the Work in the form of a Completion Assurance Agreement (Legal Form 021), together with an unconditional, irrevocable letter of credit issued to the Authority by a commercial bank acceptable to the Authority in the amount of \$ _____ (25% of the Total Contract Sum). The assurance of completion furnished shall remain in effect for the duration of the Guarantee Period as defined in Article XIII of the General Conditions.

Reduction of Amount of Letter of Credit. At such time as the Authority determines that construction of the Development is seventy-five percent (75%) or more complete, the Owner and the Contractor jointly may make application to the Authority for a reduction in the amount of the Contractor's letter of credit to an amount not less than fifteen percent (15%) of the Total Contract Sum. Further, at such time as the Authority determines that construction of the Development is Ninety percent (90%) or more complete, the Owner and the Contractor jointly may make application to the Authority for a reduction in the amount of the Contractor's letter of credit to an amount not less than ten (10%) percent of the Total Contract Sum. The application shall be approved if the Authority determines that: (i) construction of the Development is progressing on schedule; (ii) the Contractor is delivering units to the Owner in accordance with the approved schedule of completion; (iii) model units have been completed by the Contractor for use in connection with the marketing program as to the Development; and (iv) the amounts remaining to be paid to the Contractor under this Contract exceed by a reasonable amount the Authority's estimate of the cost of the remaining work under this Contract, plus any unpaid Change Orders.

Upon Final Completion and Final Payment for the Work, the Owner and the Contractor jointly may make application to the Authority for a reduction in the amount of the letter of credit, to an amount not less than two and one-half percent (2.5%) of the Total Contract Sum, which sum shall be held for the duration of the Guarantee Period.

TERMINATION OR SUSPENSION

Failure to Perform or Correct Work.

If the Contractor fails to correct defective Work as required by Section 13.2 of the General Conditions or persistently fails to carry out the Work in accordance with the Contract Documents, the Owner, by a written order signed personally or by an agent specifically so empowered by the Owner in writing, may order the Contractor to stop the Work, or any portion thereof, until the cause for such order has been eliminated; however, this right of the Owner to stop the Work shall not give rise to any duty on the part of the Owner to exercise this right for the benefit of the Contractor or any other person or entity, except to the extent required by Section 7.1.2 of the General Conditions.

If the Contractor defaults or neglects to carry out the Work in accordance with the Contract Documents or fails to perform any provision of this Contract, after seven (7) days written notice to the Contractor and without prejudice to any other remedy it may have, the Owner may make good such deficiencies. In such case an appropriate Change Order shall be issued deducting from the payments then or thereafter due the Contractor the cost of correcting such deficiencies, including the cost of the Architect's additional services made necessary by such default, neglect

or failure. If the payments then or thereafter due the Contractor are not sufficient to cover the cost, the Contractor shall pay the difference to the Owner.

If the Contractor does not remove defective or nonconforming Work as required by Section 13.2 of the General Conditions within a reasonable time fixed by written notice from the Owner or the Authority, the Owner may remove it and may store the materials or equipment at the expense of the Contractor. If the Contractor does not pay the cost of such removal and storage within ten (10) days thereafter, the Owner may, upon ten (10) additional days written notice, sell such Work at auction or at private sale and shall account for the net proceeds thereof, after deducting all the costs that should have been borne by the Contractor including compensation for additional architectural services. If such proceeds of sale do not cover all costs which the Contractor should have borne, the difference shall be charged to the Contractor and an appropriate Change Order shall be issued. If the payments then or thereafter due the Contractor are not sufficient to cover such amount, the Contractor shall pay the difference to the Owner.

Termination for Contractor's Default.

In the event that: (a) the Contractor is adjudged a bankrupt; (b) the Contractor makes a general assignment for the benefit of its creditors; (c) a receiver is appointed on account of the Contractor's insolvency; (d) the Contractor persistently or repeatedly refuses or fails to supply enough properly skilled workmen or proper materials to perform the work in accordance with the Contract Documents, including particularly the time and scheduling provisions thereof; (e) the Contractor persistently or repeatedly incorporates defective, faulty or inferior workmanship or materials into the work; (f) the Contractor fails to make prompt payment to Subcontractors or for materials or labor; (g) the Contractor persistently or repeatedly disregards laws, ordinances, rules, regulations or orders of any public authority having jurisdiction; or (h) the Contractor commits a substantial violation of any provision of the Contract Documents, as determined by an Authorized Officer of the Authority; the Owner may terminate the employment of the Contractor and take possession of the Development site and of all materials, equipment, tools, construction equipment and machinery thereon owned by the Contractor and the Owner may complete the work by whatever method he may deem expedient and is approved by the Authority. Any such termination of the employment of the Contractor by the Owner as aforesaid shall be without prejudice to any other right or remedy of the Owner, and shall be effective only after the Owner shall have given the Contractor and its surety, if any, and the Authority seven (7) days written notice of the Owner's intention to terminate the employment of the Contractor.

Upon the occurrence of any of the events specified in Section 8.2.1 of the General Conditions, the Authority may direct the Owner to terminate the employment of the Contractor, or the Authority may exercise its power to act as the Owner's attorney-in-fact under the Act and Loan Documents and terminate the Contractor. In the event of such direction or action by the Authority, the termination of the employment of the Contractor and the rights and remedies of the Authority to complete the work shall be subject to the provisions of Section 1002.1.

In the event of the termination of the Contractor, the Contractor shall not be entitled to receive any further payment until the work is completed. If the cost of completing the work, including compensation to the Owner or the Authority for additional architectural, managerial and administrative services, exceeds the unpaid balance of the Total Contract Sum, the Contractor shall pay the amount of such excess cost to the Owner. The costs incurred by the Owner in

completing the work pursuant hereto shall be certified to the Authority, as part of the Actual Cost of Construction, in accordance with the provisions of Article X of the General Conditions.

Termination for Inability to Obtain Financing. The Contractor understands that the Owner has entered into this Agreement in reliance upon the receipt of the Funding from the Authority. The Contractor agrees that the Owner shall have the right to terminate this Agreement without liability prior to the commencement of rehabilitation if the reason for the termination is the Owner's inability to conclude its financing arrangements with the Authority. The financing arrangements will be considered "concluded" at such time as the first disbursement is made from the Funding.

Withholding of Payments. Payments shall be withheld or reduced by the Owner if in the determination of an Authorized Officer of the Authority (1) the work is not proceeding in accordance with the Contract Documents, (2) the undisbursed proceeds of the Funding (after provisions for reserves, fees, expenses and other deposits required by the Authority) do not equal or exceed the amount necessary to pay for all work completed and all materials delivered, for which payment has not been made, and the estimated cost of completing rehabilitation of the Development in accordance with the Drawings and Specifications per the Trade Payment Breakdown, as may be amended. If at any time the Owner or Authority determine that the estimated cost of completing the development substantially exceeds any sum due or to become due the Contractor, the Owner or Authority may demand evidence that the Contractor has sufficient funds to pay for the completion of rehabilitation. Any determination of an Authorized Officer of the Authority shall be reasonable in relation to the Authority's interests as lender under the Act.

ASSIGNMENTS AND MISCELLANEOUS

Contract Not Assignable. This Contract shall not be assignable by either party without the prior written consent of the other party and the Authority, except that the Owner may assign the Contract, or any rights hereunder, to the Authority.

Notices. Any notice required to be given pursuant to the Contract Documents shall be deemed sufficient if in writing and delivered personally or by certified mail to the parties to which such notice is required to be given at the following addresses:

Owner: President
 Asset Management Non-Profit Housing Corporation
 III
 c/o Michigan State Housing Development Authority
 735 East Michigan Avenue
 Lansing, Michigan 48912

Contractor: ***

Authority: Director of Legal Affairs
 Michigan State Housing Development Authority
 735 East Michigan Avenue
 Lansing, Michigan 48912

With a copy to: Chief Construction Manager
Michigan State Housing Development
Authority
735 East Michigan Avenue
Lansing, Michigan 48912

Actions on Behalf of the Parties. The following persons are authorized by the Owner and the Contractor to execute any and all instruments requiring their respective signatures and to act on behalf of each with respect to all matters arising out of the Contract:

Owner: Michael Witt
Contractor: ***

Captions. Captions to the sections of this Contract are included for reference convenience only and are not to be construed as affecting the meaning of any Section or to have any legal effect whatsoever.

Fraud Penalties. The undersigned acknowledges that any false pretense, including any false statement or representation; or the fraudulent obtaining of money, real or personal property; or the fraudulent use of an instrument, facility, article, or other valuable thing or service pursuant to his/her participation in any Michigan State Housing Development Authority program, is punishable by imprisonment for up to ten (10) years or by a fine of up to \$5,000.00.

Choice of Law. The Contract Documents shall be interpreted and construed according to the law of the State of Michigan.

IN WITNESS WHEREOF, the Parties have signed this Construction Contract effective as of the date set forth in the first paragraph hereof.

ASSET MANAGEMENT NON-PROFIT
HOUSING CORPORATION III (OWNER)

By: _____
Michael Witt, President

*** (CONTRACTOR)

By: _____

Its:

ATTACHMENT TO CONSTRUCTION CONTRACT

**Contractor's Certificate of
Identity of Interest**

Pursuant to Section 302 of the Contract to which this is attached, the General Contractor, _____, certifies that the only financial interests and family relationships existing between the General Contractor or any of its officers, directors, stockholders or owners and the Owner or any subcontractor or supplier or equipment lessor contracting for work at the Development, are as follows:

If no relationship exists, indicate none.

Please indicate the exact percentage of ownership, office or position held.

By: _____

Its:

EXHIBIT A to Construction Contract

Legal Descriptions and Addresses for the Hamtramck Property

- A. 2314 Burger Lot 422 Fleming's Sub ¼ Sec 22 10,000 A.T., as recorded in Liber 28, Page 70 of Plats, WCR Tax ID #41-004-02-0422-000
- B. 2689 Pulaski Lot 398, Moran and Croul's Subdivision, as recorded in Liber 29, Page 39 of Plats, WCR Tax ID #41-004-01-0398-000
- C. 11650 Nagel Lot 215, Hudson and Hannan Subdivision, as recorded in Liber 27, Page 85 of Plats, WCR Tax ID #41-004-03-0215-000
- D. 11676 Lumpkin Lot 196 Fleming's Sub ¼ Sec 22 10,000 A.T., as recorded in Liber 28, Page 70 of Plats, WCR Tax ID #41-004-02-00196-000
- E. 11392 St. Aubin Lot 68, Fleming's Subdivision, as recorded in Liber 28, Page 70 of Plats, WCR Tax ID #41-004-02-0068-000
- F. 11399 St. Aubin Lot 315, Hudson and Hannan Subdivision, as recorded in Liber 27, Page 85 of Plats, WCR Tax ID #41-004-03-0315-000
- G. 11417 St. Aubin Lot 312, Hudson and Hannan Subdivision, as recorded in Liber 27, Page 85 of Plats, WCR Tax ID #41-004-03-0312-000
- H. 11423 St. Aubin Lot 311, Hudson and Hannan Subdivision, as recorded in Liber 27, Page 85 of Plats, WCR Tax ID #41-004-03-0311-000
- I. 11663 St. Aubin Lot 280, Hudson and Hannan Subdivision, as recorded in Liber 27, Page 85 of Plats, WCR Tax ID #41-004-03-0280-000
- J. 12012 St. Aubin Lot 25, Fleming's Subdivision, as recorded in Liber 28, Page 70 of Plats, WCR Tax ID #41-004-02-0025-000
- K. 12033 St. Aubin Lot 270, Hudson and Hannan Subdivision, as recorded in Liber 27, Page 85 of Plats, WCR Tax ID #41-004-03-0270-000

EXHIBIT B
TRADE PAYMENT BREAKDOWN

EXHIBIT C
SPECIFICATIONS

EXHIBIT D
DRAWINGS

EXHIBIT E
CONTRACTOR'S EQUAL EMPLOYMENT OPPORTUNITY PLAN

EXHIBIT F – Project Liberty

Additional Requirements

(including NSP2 and Garrett requirements)

Exhibit I

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY

REQUEST FOR PROPOSAL

EXHIBIT I

SECTION 3 GUIDELINES

HUD says, one of the evaluation factors shall address both the preference for Section 3 business concerns and the acceptability of the strategy (“Plan”) for meeting the greatest extent feasible requirement (Section 3 Plan), as disclosed in proposals submitted by all business concerns (Section 3 and Non-Section 3 business concerns). This factor shall provide for a range of **15 to 25 percent of the total number of available points** to be set aside for the evaluation of these two components.

The first component of this evaluation factor designed to address the preference for Section 3 business concerns must establish a preference for these business concerns in the order of priority ranking as described in 24 CFR 135.36. (*Housing and Community Development Programs*). In Housing and Community Development Programs, priority consideration shall be given, where feasible, to: (i) Section 3 business concerns that provide economic opportunities for Section 3 residents in the service area or neighborhood in which the Section 3 covered project is located (category 1 businesses); and (ii) Applicants (as this term is defined in 42 U.S.C. 12899) selected to carry out HUD YouthBuild programs (category 2 businesses); (iii) Other Section 3 business concerns. (b) *Eligibility for preference*. A business concern seeking to qualify for a Section 3 contracting preference shall certify or submit evidence, if requested, that the business concern is a Section 3 business concern as defined in §135.5. (c) *Ability to complete contract*. A Section 3 business concern seeking a contract or a subcontract shall submit evidence to the recipient, contractor, or subcontractor (as applicable), if requested, sufficient to demonstrate to the satisfaction of the party awarding the contract that the business concern is responsible and has the ability to perform successfully under the terms and conditions of the proposed contract.)

With respect to the second component (the acceptability of the Section 3 strategy “plan”), the RFP shall require the disclosure of the contractor's Section 3 plan to comply with the Section 3 training and employment preference, or contracting preference, or both, if applicable. A determination of the contractor's responsibility will include the submission of an acceptable Section 3 plan. The contract award shall be made to the responsible firm (either Section 3 or Non-Section 3 business concerns) whose proposal is determined most advantageous, considering price and all other factors specified in the RFP.

Background:

Section 3 of the Housing and Urban Development Act of 1968, as amended, ("Section 3") requires that economic opportunities generated by certain U.S. Department of Housing and Urban Development financial assistance for housing and community development programs be directed to low- and very low-income persons, particularly those who are recipients of government assistance for housing, and business concerns which provide economic opportunities to low- and very low income persons.

- **Section 3** – Section 3 is a provision of the Housing and Urban Development Act of 1968, which recognizes that HUD funds are typically one of the largest sources of federal funding expended in communities through the form of grants, loans, entitlement allocations and other forms of financial assistance. Section 3 is intended to ensure that when employment or contracting opportunities are generated because a covered project or activity necessitates the employment of additional persons or the awarding of contracts for work, preference must be given to low- and very low-income persons or business concerns residing in the community where the project is located.
- **Section 3 Resident** – A Section 3 resident is 1) a public housing resident; or 2) a low- or very low-income person residing in the metropolitan area or Non-metropolitan County in which the Section 3 covered assistance is expended.
- **Section 3 Business Concern(s)** – Section 3 Business Concerns are businesses that can provide evidence that they meet one of the following: a) 51% or more owned by Section 3 residents; or b) at least 30% of its full time employees include persons that are currently Section 3 residents, or within three years of the date of first employment with the business concern were Section 3 residents; or c) provides evidence, as required, of a commitment to subcontract in excess of 25% of the dollar award of all subcontracts to be awarded to business concerns that meet the qualifications in the above two paragraphs.
- **Section 3 Covered Contract** – means a contract or subcontract (including a professional service contract) awarded by a recipient or contractor for work generated by the expenditure of Section 3 Covered Assistance, or for work arising in connection with a Section 3 Covered Project. "Section 3 Covered Contracts" do not include contracts awarded under HUD procurement program, which are governed by the Federal Acquisition Regulation System (see 48 CFR, Chapter 1). "Section 3 Covered Contracts" also do not include contracts for the purchase of supplies and materials. However, whenever a contract for materials includes the installation of the materials, the contract constitutes a Section 3 Covered Contract. For example, a contract for the purchase and installation of a furnace would be a Section 3 Covered Contract because the contract is for work (i.e., the installation of the furnace) and thus is covered by Section 3.
- **Section 3 Covered Project** – A Section 3 covered project involves the construction or rehabilitation of housing (including reduction of lead-based paint hazards), or other public construction such as street repair, sewage line repair or installation, updates to building facades, etc.

SECTION 3 CLAUSE

All contractors and subcontractors itself when acting as a contractor shall be asked to indicate a good faith effort to meet the Section 3 requirement by signing contracts which contain the clause set forth in 24 CFR 135.20(b) as follows:

- The work to be performed under this contract is on a project assisted under a program providing direct Federal financial assistance from the Department of Housing and Urban Development and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u. Section 3 requires that to the greatest extent feasible opportunities for training and employment be given lower income residents of the project area and contracts for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part by persons residing in the area of the project.
- The parties to this contract certify and agree that they are under no contractual or other disability which would prevent them from complying with these requirements.
- The contractor will send to each labor organization or representative of workers with which he has a collective bargaining agreement or other contract or understanding, if any, a notice advising the said labor organization or workers' representative of his commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.
- The contractor will include this Section 3 clause in every subcontract for work in connection with the project and will, at the direction of the application for or recipient of Federal financial assistance, take appropriate action pursuant to the contract upon a finding that the subcontractor is in violation of regulations issued by the Secretary of Housing and Urban Development 24 CFR Part 135. The Contractor will not subcontract with any subcontractor where it has notice of knowledge that the latter has been found in violation of regulations under 24 CFR Part 135 and will not let any subcontract unless the subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

- Compliance with the provisions of Section 3, the regulations set forth in 24 CFR Part 135, and all applicable rules and orders of the Department issued thereunder prior to the execution of the contract, shall be a condition of the Federal financial assistance provided to the project, binding upon the applicant or recipient for such assistance its successors, and assigns. Failure to fulfill these requirements shall subject the applicant or recipient, its contractors and subcontractors, its successors, and assigns to those sanctions specified by the grant or loan agreement or contract through which Federal Assistance is provided, and to such sanctions.