

Project Name: _____

HMFA # _____ SN # _____

**NEW JERSEY HOUSING & MORTGAGE FINANCE AGENCY
ADDENDUM TO ARCHITECT'S CONTRACT**

AGREEMENT, made this _____ day of 202____ Between _____ (the "Sponsor" or "Owner") organized and existing under the laws of the State of New Jersey, having its principal offices at _____ and _____ Architects a partnership existing under the laws of the State of New Jersey (hereinafter, the "Architects"), having their principal office at _____ New Jersey.

WITNESSETH:

WHEREAS, the Sponsor intends to own and develop a housing project pursuant to the provisions of the New Jersey Housing and Mortgage Finance Agency Law of 1983, to be aided by a mortgage loan from the New Jersey Housing and Mortgage Finance Agency ("Agency") which said project known as (hereinafter called "Project") is to be located at:

AND WHEREAS, the Sponsor and the Architect have entered into a Contract ("AIA Document B101-2017"- attached as Exhibit A), whereby the Architect will provide professional services to the Sponsor and the parties thereto are desirous of amending the same as follows:

NOW THEREFORE, the Sponsor and the Architect do mutually agree as hereinafter set forth.

Article 1. The Architect agrees to perform professional services for the Project as follows:

1.1.1 Professional Services.

The Architect, shall supply all professional services, set forth in this Article 1 and necessary for the planning and design of the Project, and administration of the Construction Contract (as hereinafter defined) relative to the Project, including but not limited to services as listed in the AIA B101-2017, and other services required for the complete performance of the Construction Contract attached hereto and made a part hereof as Exhibit B. The Architect understands that the Project must satisfy the design standard, outline specifications, and program requirements of the Agency and must further meet the reasonable construction cost limitations set by the Agency in order to qualify for a mortgage loan from the Agency. The "Construction Contract" is the agreement entered into between the Sponsor and the Contractor (as defined in the Construction Contract) for performing the construction work required for the Project.

1.1.2 Cost Limitations

The Architect shall design the Project within the project construction cost as determined by the Agency to be capable of being financed by the Agency.

1.1.3 Legal Requirements

The Architect shall design the Project to conform to all applicable federal, state and local laws, codes, ordinances and regulations, as modified by any properly documented waivers which may be obtained from the appropriate jurisdictions.

1.1.4 Role of Agency

The Agency recognizes the Architect's role as the design professional responsible for furnishing the architectural plans and specifications as well as the Construction Contract administration required for the Project. Although the Agency is not a party to this Contract, all documents, including drawings and specifications, any changes, revisions or applications thereto, and statements of cost of construction shall be subject to the written acceptance of the Agency before they shall be deemed acceptable; and the Agency reserves the right to disapprove or reject any such documents, submitted by the Architect pursuant to this Contract to the extent required to effectuate the Agency's statutory purposes. The Agency does not review or approve documents or Contract Administration for compliance with architectural standards. Any Agency approval or acceptance is limited to a review of

compliance with the Agency's statutory purposes. The Agency may have employees visit the Project for the sole purpose of making reports to the Agency as to the progress of the work. The Architect will not rely upon the observations of the Agency's representatives.

1.1.5 Waiver of Claims Against Agency; Application of Contractual Liability Act.

The parties acknowledge and agree that the Agency is not a party to the Contract and that no third-party beneficiary rights are created on behalf of the Agency by this Contract. Further, the Architect acknowledges its responsibility for all architectural services and specifically waives any legal rights against the Agency for its utilization of Agency or Sponsor ideas, plans, specifications or any other form of assistance from the Sponsor or the Agency. Therefore, no claims may be made against the Agency. Notwithstanding any provisions to the contrary, the Agency shall not be required to participate in any arbitration proceeding in order to obtain the benefit of or to defend any claims arising from or related to the Project or the Contract.

Should a court of competent jurisdiction determine that a valid claim in contract or tort or otherwise exists against the Agency or against the Sponsor, as set forth in Article 3.3 of this Addendum, all such claims shall be governed by and be subject to the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1, et seq. and the New Jersey Tort Claims Act, N.J.S.A 59:1-1, et seq. The Architect shall not under any circumstances be entitled to recover from the Sponsor or the Agency any compensation beyond that provided for in this Addendum or under any related or incorporated documents by reason of the acts or omissions of any third parties.

1.1.6 Approval by Sponsor and Acceptance by the HMFA

All documents produced in the Schematic or subsequent phases, including drawings and specifications and any changes, revisions or applications thereto, and including statements of the probable cost of construction, shall be subject to the written approval of the Sponsor and the Agency before they shall be deemed acceptable.

1.1.7 Deviations

During Phase III, the Architect shall notify the Sponsor and the Agency in writing of any required deviations from the Design Development documents. Such notifications shall be made as soon as the extent of the deviation is known and its effect on the Project construction cost under Article 1.1.2 is determined. No changes or deviations from the Design Development documents shall be included in the Contract Documents unless prior approval in writing is obtained from the Sponsor and the Agency.

1.1.8 Changes Required

The Agency, in light of its statutory purposes, or the Sponsor, with the written approval of the Agency may at any time, by written order, issue additional instructions and require additional work or services covered by this Addendum. If changes are made in the requirements of the Project which result in substantial changes to the Design Development or Contract Documents, causing the Architect additional drafting or other technical expenses, the Architect shall be entitled to just compensation for the reasonable cost of the added work and expense in an amount agreed to by the Sponsor and the Agency in writing as an upset price. Notice in writing of any claims for extra compensation under this Paragraph must be given to the Sponsor and the Agency promptly after the change is ordered. The Architect shall not be entitled to additional compensation for clarifications or revisions which the Sponsor and the Agency find necessary or desirable because of negligence, oversight or error in judgment for which the Architect or his agent, consultants, or employees are responsible.

1.1.9 Non-Responsibility for Negligence

The Architect, except to the extent that it may be directly involved, shall not be responsible for any negligent acts of omission or commission by the Contractor or any subcontractor, or any of their agents, suppliers or employees, or any other person performing the construction work, but this provision shall not be deemed to absolve the Architect from

liability for failure to perform its duties under its Contract including, without limitation, the duty to inspect the construction work and administer the terms of the Construction Contract.

1.2 Architect's Obligations

1.2.1 Architect's Additional Duties

In addition to such other duties undertaken in connection with the project, Architect shall:

- A. Upon request, Architect will provide a separate certification on Architect's firm letterhead and bearing Architect's signature and seal stating:
*"This will certify that the accompanying drawings entitled "PROJECT NAME", dated "DATE OF LATEST REVISION", consisting of the documents set forth below, have been reviewed by this office and are complete, code compliant, consistent across the disciplines, and issued **for construction**. Attach DRAWING AND SPECIFICATION LIST" to the certification."*
- B. Make specific evaluations and recommendations on all claims submitted by the Contractor or Subcontractor, the execution and progress of work, and all matters or questions related thereto.
- C. Upon completion of the Project, review the marked-up reproducible copies of the Contract drawings, as furnished to them by the Contractor pursuant to the terms of the General Conditions, showing the locations, elevations, and sizes of all work as actually built and installed. The Architect, upon approving these documents, shall supply one complete set of "as-built" prints in PDF form to the Agency. Upon Agency review and acceptance, one set shall then be supplied to the Sponsor.

1.2.2 Non-Discrimination: Affirmative Action

The Architect and any consultants engaged by the Architect shall comply with the provisions of the ACT NJSA 10:2-1 et seq. which prohibits discrimination in employment on public works. The statute, as well as the rules and regulations promulgated thereunder shall be considered to be part of this Addendum and binding upon the Architect and its consultants. In connection with the performance of work under Contract, the Architect shall not discriminate against any employee or applicant for employment because of race, creed, color, sex, or national origin. The Architect shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to the race, creed, color, sex or national origin. Such affirmative action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment advertising; layoff or termination; rate of pay or other forms of compensation; and selection for training, including apprenticeship. In accordance with regulations found in NJAC 17:27-1.1 et seq., the Architect shall insert all required provisions in all contracts made by it in connection with the architectural and engineering services called for under its Contract, except contracts for standard commercial supplies or raw materials.

1.2.3 Covenant Against Contingent Fees

The Architect warrants and represents that it has not employed any person to solicit or secure its Contract upon any agreement for a commission, percentage, brokerage, contingent fee, gift, gratuity or other form of compensation. Breach of this warranty shall give the Sponsor the right to terminate the Architect's Contract, or, in its discretion, to deduct from the Architect's fee the amount of such fee, commission, percentage or brokerage.

1.2.4 Interest in Industries or Materials

At the time the working drawings and specifications are delivered to the Sponsor, the Architect shall submit a certificate stating any interest, direct or indirect, which it or its associates may have in a proprietary system of construction, or a patented building design, or a business or industry that manufactures materials that are shown as specified for the Project.

1.2.5 Publicity

It expressly is understood and agreed that the Architect will make no public release of any Project information, material or documents in its possession without first obtaining the prior written concurrence of the Sponsor and the Agency. The Architect also shall coordinate with the Sponsor all press and any other mass media releases with regard to the work undertaken by it for the Sponsor prior to any such release.

Article 2. The Sponsor Agrees to Compensate the Architect for Services as Follows:

2.1 Compensation for Basic Services, Extra Services & Additional Inspection Services

2.1.1 By Fee Schedule

For Basic Services, defined in Article 1.1 above, a percentage fee shall be determined in accordance with the current Agency Architect's Fee Schedule attached hereto and made part hereof, as Appendix A. If applicable, the fee as determined under this paragraph is set forth in Article 2.1.3.

2.1.2 Lump Sum Payment

In lieu of the foregoing method of payment, the Sponsor and the Architect may agree upon a lump sum to be paid to the Architect, subject to the written approval of the Agency; which election shall be conclusively evidenced by the fee as indicated in Article 2.1.3 hereof.

2.1.3 Architect's Fee

For Basic Services under the Architect's Contract, the Architect's Fee is determined to be:

\$ _____ (Fee Schedule), or

\$ _____ (Lump Sum)

2.2 Schedule and Method of Payment

2.2.1 Payment Schedule

The Sponsor shall pay the Architect, as full compensation for its Basic Services, the Architect's Fee as determined under 2.1 above in accordance with the following payment schedule:

- A. Schematic Design - Phase I. Upon completion and acceptance by the Sponsor and Agency of the Schematic Design Phase, the Sponsor shall pay the Architect 15% of the Architect's Fee, based upon the total project construction costs then estimated by the Architect and agreed to by the Sponsor and Agency.
- B. Design Development - Phase II. Upon completion and acceptance by the Sponsor and Agency of the Design Development documents, the Sponsor shall pay the Architect 25% of the Architect's Fee. If an agreement as to total estimated cost of construction cannot be reached between the Contractor, Sponsor, and the Agency, the total Project construction costs as estimated in the Schematic Design Phase shall be used for payment purposes until such time as agreement is reached.
- C. Contract Documents - III. Upon completion and approval of Contract Documents at the mortgage closing of the Project, the Sponsor shall pay the Architect 30% of the Architect's Fee.
- D. Construction - Phase IV. The Sponsor shall pay the Architect during this phase, the remaining 30% of the Architect's Fee, which shall be paid in proportion to the progress payment actually paid to the Contractor unless otherwise approved by Sponsor and Agency. The actual construction costs will not change the Architect's Fee. The Architect's Fee will be adjusted only if the Sponsor, with the approval of the Agency, makes substantial revisions to the program requirements after approval of the Design Development documents of Phase II. Adjustments shall then be made as provided in Articles 2.2 and 2.3.

2.2.2 Progress Payments

During Phase I and Phase II of the architectural services, the Sponsor, with the Approval of the Agency, may make monthly progress payments against the Architect's Fee as mutually agreed between the Sponsor and the Architect. These monthly progress payments shall in no case exceed the allowable Architect's Fee for the current phase as described in Article 2.2.1.

2.2.3 Payment of Consultants

Within 30 days of receipt of any payment of Architect's Fee, the Architect will certify to the Sponsor and to Agency that it has paid all the obligations incurred by it with respect to its consultant(s) under Article 1.1.

Article 3. Miscellaneous Requirements

3.1 Termination of the Architect's Contract

3.1.1 Sponsor's Right to Terminate Architect's Contract

The Sponsor with Agency approval, shall have the right, at any time to terminate the Architect's Contract by giving the Architect seven (7) working day's written notice of the intent to terminate and date and time of such termination. On the date and time set forth in the termination notice, the Architect shall immediately discontinue all work, and shall be entitled to compensation on a pro rata basis based on the fees set forth in their Contract only for services actually and satisfactorily performed by it as of the date of termination.

3.1.2 Architect's Right to Terminate their Contract

Upon violation of a provision of the Architect's contract by the Sponsor, the Architect shall have the right to terminate the Contract by giving the Sponsor seven (7) working days written notice of the intent to terminate and date and time of such termination. The Architect shall continue providing services under this Contract until the date of termination, and they shall be entitled to compensation on a pro rata basis based on the fees set forth in this Contract only for services actually and satisfactorily performed by it as of the date of termination.

3.1.3 Termination of Contract Due to Abandonment or Postponement of Project: Suspension of Work

If, for any reason, the Project should be abandoned or postponed, the Sponsor may terminate this Contract upon seven (7) working days written notice to the Architect. Upon receipt of such notice, unless otherwise directed, the Architect shall immediately discontinue all work hereunder. Upon such termination, the Architect shall be paid for services actually and satisfactorily performed by him as of the date of termination which shall be proportionate to the total services and fees contemplated under this Contract, less payments previously made. The Sponsor and Agency may order that the work on the Project be suspended, and upon 3 calendar days written notice the Architect shall cease all work except as necessary to properly secure the Project. If the Sponsor or the Agency direct that the work on the Project resume within 6 months of any suspension or termination, the Architect shall be obliged to complete the Project for the Basic Fee provided for in this Contract, plus additional compensation for any Extra Services as necessitated by the Stop Order, to be paid at 1.2 times direct personnel expense, exclusive of salaries of principals, as approved by the Sponsor and the Agency.

3.1.4 Architect's Compensation

If termination of the Architect's Contract occurs at the close of a phase of design, the Architect shall be paid in full for its satisfactorily performed services through that phase in accordance with the percentage schedule established in Article 2.2. Should termination occur prior to the close of a design phase, the Architect shall be entitled to full payment for prior phases, plus an equitable pro-rata fee payment for the uncompleted phase

3.2 Other Requirements

3.2.1 Successors and Assignments

The Architect’s Contract contemplates personal services by the Architect and this Contract shall not be assigned, sublet or transferred without the written consent of the Sponsor and Agency. In the event of death or disability of the Architect, any qualified architect who shall be a bona fide partner of said Architect may be authorized at the option of the Sponsor and Agency to continue in the Contract as the surviving partner of said Architect. Nothing contained in this paragraph shall be deemed to prevent the assignment of monies due or to become due the Architect to a bank, trust company or other financial institution.

3.2.2 Notifications

Written notices required under this Addendum shall be validly and sufficiently served upon the Architect if addressed and mailed by certified mail to the Architect at:

Written notices from the Architect to the Sponsor should be mailed by certified mail to:

Written notices from the Architect to the Agency should be mailed by certified mail to:

Director of Technical Services or Designee
NJ Housing & Mortgage Finance Agency
637 South Clinton Avenue, PO Box 18550
Trenton, NJ 08650-2085

Notwithstanding the foregoing, any such notices shall also be sent via email at the following email address(es):

- If to the Architect: @
- If to the Agency: @njhmfa.gov
- If to the Sponsor: @

The delivery of notices via email shall be in addition to, and not in substitution of any notices required to be delivered by certified mail.

3.2.3 Release and/or Waiver of Claims

The acceptance and approval of, or payment for any of the plans, drawings, specifications or other work or services performed by the Architect under their Contract shall not constitute a release or waiver of any claim the Sponsor and/or the Agency has or may have for latent defects or errors or other breaches of the Contract on the part of the Architect, or of any claims for breach of warranty or negligence.

3.2.4 Records of Costs

The Architect agrees to maintain and retain weekly payroll, overhead, cost and accounting records for services performed on the Project, including expenses pertaining to additional services required on the Project. Such records shall be maintained and available for all aspects of the work, whether performed by the Architect or any independent firms. These records shall be kept in accordance with generally accepted accounting principles and practices, and all such records shall be made available to the Sponsor and the Agency for inspection for a period of ten years after final payment is received by the Architect under this Contract Addendum. Any failure to maintain or produce such records shall preclude the recovery of any claim for such costs.

3.2.5 Jurisdiction

All claims arising under the Architect's Contract shall be subject to New Jersey law, and venue shall be in Mercer County, New Jersey.

3.2.6 Indemnity/Liability to Third Parties

The Architect agrees to indemnify and save harmless the Sponsor and each of its partners and the Agency and their respective members, officers, employees, agents and servants from and against any and all claims, demands, suits, proceeding, awards, judgements, losses or damages related to the performance of their Contract and arising out of any negligent acts, errors or omissions of the Architect, or of the Architect's officers, employees, retainees or other parties providing services to the Architect at the Architect's express request for the purposes of assisting the Architect in performing the Architect's services required under the Contract (hereinafter collectively the "Architect and/or Associates").

In the event of any such claims, demands, suits or proceedings, the Architect shall pay the fees of any attorney it retains to appear, defend or protect the Sponsor and shall pay the costs, expert's fees and other expenses necessary to so appear, defend and protect the Sponsor and the Agency in good faith. The Sponsor, should it so elect, may participate at its own expense in the defense of any claim, demand, suit or proceeding. The Architect expressly understands and agrees that the Agency is represented by the Attorney General of the State of New Jersey and that in the event that the Attorney General shall appear, defend or protect the Agency against any such claims, demands, suits or proceedings, the Architect shall reimburse the Agency for the cost to the Agency of the Attorney General's services rendered in this regard and shall pay costs, expert's fees and other necessary expenses as may be required by the Attorney General, including those incurred as a result of the decision of the Attorney General or of the Agency to retain outside counsel.

If any judgement or award shall be rendered against the Sponsor or any of its partners, the Agency or any of their respective members, officers, agents, servants, or employees, for which indemnification is provided under this paragraph, the Architect shall, at its own expense, satisfy and discharge the same.

The Sponsor and Agency shall, as soon as practicable after a claim has been made against it, give written notice thereof to the Architect along with full and complete particulars of the claim. If suit is brought against the Sponsor or the Agency or any of their respective members, agents, employees or servants, the Sponsor and Agency shall expeditiously forward to or have forwarded to the Architect every demand, complaint, notice, summons, pleading or other process received.

It is expressly agreed and understood that any approval by the Sponsor or the Agency of the services rendered and/or reports, plans or specifications provided by the Architect shall not operate to limit the obligations of the Architect assumed in this Addendum.

It is expressly understood and agreed that neither the Sponsor nor the Agency assumes any obligation to indemnify or save harmless the Architect and/or Associates from any claim which may arise out of the performance of this Contract by the Architect and/or Associates. Furthermore, the Architect expressly understands and agrees that the provisions of this indemnification shall in no way limit the Architect's obligations assumed in this Contract, nor shall they be construed to relieve the Architect from any liability, nor preclude the Sponsor and the Agency from taking any other actions available under any other provisions of this Contract or otherwise at law or in equity. The Architect shall be liable for any and all reasonable costs incurred by the Sponsor or Agency to correct, modify or redesign any technical information submitted by the Architect that is found to be defective or not in accordance with the provisions of this Contract or Agency requirements as a result of a negligent act, error or omission on the part of the Architect and/or Associates. The Architect shall be given a reasonable opportunity, as determined by the Sponsor and Agency, to correct any deficiency.

3.2.7 Insurance

The Architect shall procure and maintain at its own expense, until the completion of all services rendered under their Contract and any modification pursuant to Article 3.5 below, liability insurance for damages imposed by law and assumed under this Contract, of the kinds and in the amounts hereinafter provided, all insurance coverages shall be with an insurance company authorized to do business in the State of New Jersey and must have a minimum Financial Strength Rating of A- and with a minimum Financial Size Category of VIII per A. M. Best Company. The Architect expressly understands and agrees that any insurance protection assumed in this Contract and shall not be construed to relieve the Architect from liability in excess of such coverage, nor shall it preclude the Sponsor and Agency from taking such other actions as are available to it under any other provisions of this Contract or otherwise in law.

A. The types and minimum amount of insurance are as follows:

1) Comprehensive General Liability Insurance

The minimum limits of liability for this insurance shall be \$1,000,000 combined single limit for bodily injury and property damage.

The above required Comprehensive General Liability Insurance shall name the Sponsor and its partners, the Agency, together with their respective officers and employees as additional insured in respect of the operation of the Architect. The coverage to be provided under this policy shall be at least as broad as the standard, basic, unamended and unendorsed comprehensive general liability policy and shall include contractual liability coverage. The aggregate limits may be increased by the Sponsor with Agency approval.

2) Comprehensive Automobile Covered by General Liability Insurance.

The Comprehensive Automobile Liability policy shall cover owned, non-owned and hired vehicles with minimum limits of \$1,000,000 combined single limit.

3) Workers' Compensation and Employers' Liability.

Workers' Compensation Insurance shall be provided in accordance with the requirements of the laws of this State and shall include an endorsement to extend coverage to any state which may be interpreted to have legal jurisdiction. Employers' Liability Insurance shall be provided with a limit of liability of not less than \$100,000 for each accident.

4) Professional Liability Insurance.

The Architect shall carry for at least two years after completion of all work performed under this Contract and any modifications hereto, Errors and Omissions, Professional Liability Insurance and/or Professional Liability Malpractice Insurance sufficient to obligations performed pursuant to the requirements of this Contract. The form of this insurance policy is subject to approval by the Sponsor and Agency and shall be in the amount of \$250,000 unless otherwise established by the Sponsor and Agency. Should the Architect change carriers during the term of this Contract, it shall obtain from its new Errors and Omissions, Professional Liability Insurance and/or Professional Malpractice Insurance Carrier an endorsement for retroactive coverage.

B. The Architect shall, prior to commencement of the work required under the Contract, provide the Sponsor and Agency with valid Certificates of Insurance as evidence of the Architect's insurance coverage in accordance with the foregoing provisions. Such certificates of insurance shall specify that the insurance provided is of the types and is in the amounts required in Sections A (1), (2), (3) and (4) above. The Certificates shall provide for thirty (30) days notice in writing to the Sponsor and Agency prior to any cancellation, expiration or non-renewal during the term the insurance is required in accordance with this Addendum. The Architect shall further be required to provide valid certificates of renewal of the insurance upon the expiration of the policies. The Architect shall provide copies of the Certificates of

Insurance certified by either the Architect's Agent or underwriter to be true copies of the Certificates of Insurance issued by either the Agent or the underwriter. All certificates and copies of insurance policies shall be forwarded to the addresses as listed herein.

In the event that the Architect provides evidence of insurance in the form of certificates of insurance valid for a period of time less than the period during which the Architect is required by the terms of the Addendum to maintain insurance, said certificates shall be acceptable, but the Architect shall be obligated to renew its insurance policies as necessary and to provide new certificates of insurance from time to time in accordance with the foregoing provisions.

In the event the Architect fails or refuses to renew any of its insurance policies as necessary, or any policy is cancelled, terminated or modified so that the insurance does not meet the requirements of this Addendum, the Sponsor or the Agency may refuse to make payment of any further monies due under this Addendum. The Sponsor may, upon approval by the Agency, use monies retained under this paragraph to renew the Architect's insurance for the periods and amounts referred to above. During any period when the required insurance is not in effect, the Sponsor may, upon approval by the Agency, at its option, either suspend work under this Addendum or proceed to find the Architect in default of their Contract and thereby terminate their Contract.

3.3 Contract and Addendum Governed by New Jersey Law

This Addendum and any underlying contract, shall be governed by and subject to New Jersey Law, including, without limitation, the New Jersey Housing and Mortgage Finance Agency Act of 1983, N.J.S.A. 55:14K-1 *et seq.* and regulations promulgated thereunder. Any claims asserted against the Agency shall be subject to the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1, *et seq.* (except for N.J.S.A. 59:13-9 thereof). While this statute is not applicable by its terms to claims arising under contracts with the Agency, the Sponsor and the Architect agree that it shall be applicable to claims arising under this Agreement.

3.4 Prior Contract

The parties acknowledge that any prior contracts whether express or implied with reference to this Project between the Sponsor and the Architect are terminated and of no further force and effect, including all payments due thereunder, provided that all work performed and plans and drawings prepared thereunder shall be for the benefit of and shall constitute the property of the Sponsor.

3.5 Addendum Terms and Changes

This Addendum is intended to modify and supplement the existing agreement between the Sponsor and the Architect ("AIA Document B101-2017") attached hereto as Exhibit A. In case of any conflict or ambiguity, the provisions of this Addendum shall prevail over any document referenced herein, The terms and conditions of this Addendum may not be modified or changed except by a writing signed by the Architect and the Sponsor and approved by the Agency. This Addendum shall be binding upon the heirs, representatives and successors of the Architect and of the Sponsor.

IN WITNESS WHEREOF, the parties, here hereunto set their hands and seals, and such of them as are corporations or other business entities have caused this instrument to be signed by their duly authorized officers and their corporate seals to be hereunto affixed.
on this ____ day of _____, 20 .

SPONSOR

ARCHITECT

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

APPROVED:

Director of Technical Services or Designee
New Jersey Housing & Mortgage Finance Agency

APPROVED AS TO FORM:

Deputy Attorney General

Dated: _____

APPENDIX A
ARCHITECT'S FEE SCHEDULE

1. DEFINITIONS

1.1 Architect's Fee

The Architect's Fee, as determined herein, shall be considered compensation in full for all professional services rendered during the design and construction phases of the Project, exclusive of any "additional compensation" or extra services," as defined in the Contract. Unless "lump sum" payment is agreed, the Architect's Fee shall be based on a percentage of the estimated cost of construction as defined below.

1.2 Estimated Cost of Construction

The estimated cost of construction, as determined at the conclusion of Design Development - Phase II, shall mean the total cost of all construction contracts to be performed in the construction of the Project, inclusive of the Contractor's Fee, and exclusive of land costs, interest, Architect and similar professional fees. (Restated from Contract Paragraph 1.4.2).

2. DETERMINATION OF ARCHITECT'S FEE

2.1 Normal Conditions

Under normal conditions, which is defined specifically as:

A single structure or similar structures with open parking,

the Architect's Fee is calculated by multiplying the total estimated construction cost (C) by the applicable percentage (P) from the fee schedule, found in part 3 of this Appendix A, i.e.,

$$\underline{\underline{C \times P = Architect's Fee}}$$

2.2 Special Conditions

When the conditions or structural complement of the Project depart from the "normal" as defined above, causing additional design effort and coordination, the Architect's Fee may be adjusted, with Agency approval, as indicated in the examples which follow. Some "special conditions" which may qualify for this fee calculation are as follows:

***Integral or separate garage**

***Commercial stores**

***Multiple, disparate structures**

(Highrise + low rises or town houses, etc.)

***Abnormal foundation**

***Substantial site development**

(If not "substantial" then pro-rate into other components)

EXAMPLE:	C1 = Est. cost of high rise structures.
	C2 = Est. cost of low rise structures
	C3 = Est. cost of separate garage
	C4 = Est. cost of commercial stores

Step 1:	C1 x P1 = Fee 1
	C2 x P2 = Fee 2
	C3 x P3 = Fee 3
	C4 x P4 = Fee 4

$$\text{Fees 1 + 2 + 3 + 4 = Fee (A)}$$

Step 2:	C1 + C2 + C3 + C4 = C (Total)
	C (Total) X P = Fee (B)

Step 3: Fee (B) + 3/4* (Fee A - Fee B) = Architect's Fee

*Fraction derived from number of components:

2 components = 1/2	5 components = 4/5
3 components = 2/3	6 components = 5/6
4 components = 3/4	7 components = 6/7

2.3 Noncontiguous Sites

When the Project consists of two or more noncontiguous sites utilizing the same basic structure or structures, the Architect's Fee may be adjusted as follows:

- A. Compute fee separately for each site.
- B. Compute fee as for a single project, using a single combined construction cost.
- C. Add (A) and (B) and divide by 2 to obtain the Architect's Fees.

2.4 Re-Use of Plans

For the preparation of designs and drawings for the Project wholly or in part through the re-use, without substantial change, of plans or designs of structures already prepared for another project, the reduced compensation will be negotiated

3. FEE SCHEDULE

(Interpolate as required)

ARCHITECT'S FEE SCHEDULE	SUBSTANTIAL REHABILITATION
Estimated Construction Cost (C)	
\$100,000.00	\$8,160.00
\$300,000.00	\$24,030.00
<u>\$500,000.00</u>	\$39,150.00
\$700,000.00	\$53,550.00
\$1,000,000.00	\$73,900.00
\$1,500,000.00	\$105,900.00
\$2,000,000.00	\$134,200.00
<u>\$2,500,000.00</u>	\$160,000.00
\$3,000,000.00	\$183,000.00
\$3,500,000.00	\$205,100.00
\$4,000,000.00	\$225,600.00
\$4,500,000.00	\$244,800.00
<u>\$5,000,000.00</u>	\$264,000.00
\$5,500,000.00	\$282,700.00
\$6,000,000.00	\$300,600.00
\$6,500,000.00	\$319,800.00
\$7,000,000.00	\$337,400.00
<u>\$7,500,000.00</u>	\$355,500.00

\$8,000,000.00	\$372,800.00
\$8,500,000.00	\$391,000.00
\$9,000,000.00	\$408,600.00
\$9,500,000.00	\$426,550.00
\$10,000,000.00	\$443,000.00
\$11,000,000.00	\$475,200.00
\$12,000,000.00	\$505,200.00
\$13,000,000.00	\$535,600.00
\$14,000,000.00	\$565,600.00
\$15,000,000.00	\$592,500.00
\$16,000,000.00	\$619,200.00
\$17,000,000.00	\$646,000.00
\$18,000,000.00	\$673,200.00
\$19,000,000.00	\$697,300.00
\$20,000,000.00	\$722,000.00
\$22,000,000.00	\$770,000.00
\$24,000,000.00	\$818,400.00
\$26,000,000.00	\$868,400.00
\$28,000,000.00	\$921,200.00
\$30,000,000.00	\$969,000.00
\$32,000,000.00	\$1,024,000.00
\$34,000,000.00	\$1,077,800.00
\$36,000,000.00	\$1,130,400.00
\$38,000,000.00	\$1,185,600.00
\$40,000,000.00	\$1,240,000.00
Over \$40 M	

ARCHITECT'S FEE SCHEDULE

ARCHITECT'S FEE

ESTIMATED CONSTRUCTION COST (C)	% (P)	\$
\$100,000.00	6.16%	\$6,160.00
\$300,000.00	6.01%	\$18,030.00
\$500,000.00	5.83%	\$29,150.00
\$700,000.00	5.65%	\$39,550.00
\$1,000,000.00	5.39%	\$53,900.00
\$1,500,000.00	5.06%	\$75,900.00
\$2,000,000.00	4.71%	\$94,200.00
\$2,500,000.00	4.40%	\$110,000.00
\$3,000,000.00	4.10%	\$123,000.00
\$3,500,000.00	3.86%	\$135,100.00
\$4,000,000.00	3.64%	\$145,600.00
\$4,500,000.00	3.44%	\$154,800.00
\$5,000,000.00	3.28%	\$164,000.00
\$5,500,000.00	3.14%	\$172,700.00
\$6,000,000.00	3.01%	\$180,600.00
\$6,500,000.00	2.92%	\$189,800.00
\$7,000,000.00	2.82%	\$197,400.00
\$7,500,000.00	2.74%	\$205,500.00
\$8,000,000.00	2.66%	\$212,800.00
\$8,500,000.00	2.60%	\$221,000.00
\$9,000,000.00	2.54%	\$228,600.00
\$9,500,000.00	2.49%	\$236,550.00
\$10,000,000.00	2.43%	\$243,000.00
\$11,000,000.00	2.32%	\$255,200.00
\$12,000,000.00	2.21%	\$265,200.00
\$13,000,000.00	2.12%	\$275,600.00
\$14,000,000.00	2.04%	\$285,600.00

\$15,000,000.00	1.95%	\$292,500.00
\$16,000,000.00	1.87%	\$299,200.00
\$17,000,000.00	1.80%	\$306,000.00
\$18,000,000.00	1.74%	\$313,200.00
\$19,000,000.00	1.67%	\$317,300.00
\$20,000,000.00	1.61%	\$322,000.00
\$22,000,000.00	1.50%	\$330,000.00
\$24,000,000.00	1.41%	\$338,400.00
\$26,000,000.00	1.34%	\$348,400.00
\$28,000,000.00	1.29%	\$361,200.00
\$30,000,000.00	1.23%	\$369,000.00
\$32,000,000.00	1.20%	\$384,000.00
\$34,000,000.00	1.17%	\$397,800.00
\$36,000,000.00	1.14%	\$410,400.00
\$38,000,000.00	1.12%	\$425,600.00
\$40,000,000.00	1.10%	\$440,000.00
Over \$ 40 M	1.10%	-