

RIDER 1 TO CONSTRUCTION CONTRACT

Delete from AIA Document A201, "General Conditions of the Contract for Construction, section 4.5 "Arbitration", and substitute the following therefore:

4.5 Disputes

- 4.5.1 Except for disputes arising from Form HUD 2554, Supplement to the General Conditions of the Contract for Construction, Article 1, "Labor Standards" (Development, all disputes arising under or relating to this contract, including any claims for damages for the alleged breach thereof which are not disposed of by agreement, shall be presented in writing to the Architect hereinafter referred to as the Contracting Officer, the Contracting Officer shall, with reasonable promptness, render his/her decision to the Contractor in writing.
- 4.5.2 Unless the Contractor, within 30 days after receipt of the Contracting Officer's decision, shall notify the Contracting Officer in writing that it takes exception to such decision, the decision shall be final and conclusive.
- 4.5.3 Provided the Contractor has (1) given the notice within the time stated in subparagraph 4.5.2 above, and (2) excepted its claim relating to such decision from the final release, and (3) brought suit against the Mortgagor not later than one year after receipt of final payment or if final payment has not been made, not later than one year after the Contractor has had a reasonable time to respond to a written request by the Mortgagor that it submit a final voucher and release, whichever is earlier, then the Contracting Officer's decision shall not be final or conclusive, but the dispute shall be determined on the merits by a court of competent jurisdiction.
- 4.5.4 Whether or not the Contractor presents a claim to the Contracting Officer or takes exception to the decision of the Contracting Officer, it shall, unless directed otherwise by the Contracting Officer, proceed with the work as directed, but only if said directive is previously approved in writing, by HUD.