**OWNER – ARCHITECT professional service AGREEMENT (psa) for the DETAILED ARCHITECTURAL AND ENGINEERING**

**Design SERVICES (DAEDS)**

**KNOW ALL MEN BY THESE PRESENTS:**

This **PROFESSIONAL SERVICE AGREEMENT** is being executed on the \_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_ in the year \_\_\_\_\_\_\_\_\_, by and between:

**CLIENT NAME**, of legal age, single/married, Filipino, and with postal address at Client’s address, (hereinafter referred to as the “Client”)

and

**ARCHITECT’S COMPANY NAME**, represented by Architect’s Full Name as the Principal Architect/President, a Registered and Licensed Architect, duly authorized by law to practice Architecture in the Philippines, and with Office / Business address at Architect’s office address, (hereinafter referred to as the “Architect”)

**WITNESSETH:**

Whereas**,** the “**CLIENT”**, has engaged with and availed the professional services of the **ARCHITECT** for the provision of detailed architectural and engineering design (A&E) of a PROJECT TITLE (hereinafter referred to as the “Project”) located at PROJECT ADDRESS/LOCATION; and;

Whereas, the **ARCHITECT and the CLIENT** oblige themselves to enter into an **Owner – Architect Professional Service Agreement for the Detailed Architectural and Engineering Design Services.**

**NOW THEREFORE,** for and in consideration of the amounts hereinafter stipulated, and of the covenants hereinafter set forth, the parties agree to the following terms and conditions:

1. **Architects Obligations.** The Architect obliges himself to provide a detailed architectural design and normal basic engineering design services for structural, plumbing, electrical, and mechanical systems:
   1. **Project Definition Phase.** This phase involves the definition of the requirements of the project by the Client. The Architect in turn informs the Client of the technical requirements of the project and the concomitant professional fees. In this phase, the Architect:
      1. Consults with the Client to ascertain the conceptual framework and related requirements of the project and confirms such requirements with him.
      2. Gathers relevant information and data leading to the definition of the requirements of the project, including the scope of the Architect’s services.
      3. Reviews and refines the owner’s space requirements and translates them into an architectural space program.
      4. Prepares an initial statement of probable construction cost.
   2. **Schematic Design Phase.** This phase consists of the preparation of schematic design studies derived from the Project Definition Phase, leading to conceptual plans. The Architect:
      1. Evaluates the Client’s program, schedule, budget, project site and proposes methods of project deliveries.
      2. Prepares the initial line drawings representing design studies leading to a recommended solution, including a general description of the project for approval by the Client.
      3. Submits to the Owner a Statement of the Probable Project Construction Cost (SPPCC) based on current cost parameters.
   3. **Design Development Phase.** Based on approved schematics and conceptual plans, the Architect prepares:
      1. The Design Development documents consisting of plans, elevations, sections and other drawings,
      2. Outline specifications to fix and illustrate the size and character of the entire project as to type of materials, type of structural, electrical, mechanical, sanitary, and electronic and communications systems.
      3. Diagrammatic layout of construction systems, and
      4. An updated SPPCC for submission to the Client.
   4. **Contract Document Phase.** Based on the approved Design Development Documents, the Architect:
      1. Prepares the complete Contract Documents consisting of detailed designs and construction drawings, setting forth in detail the work required for the architectural, structural, electrical, plumbing/ sanitary, mechanical, electronic and communication works prepared by the Architect and the respective professionals involved.
      2. Prepares Technical Specifications describing type and quality of materials, finish, manner of construction and the general conditions under which the project is to be constructed.
      3. Submits to the Client seven (7) sets of all construction drawings and technical specifications for purposes of obtaining a building permit.
      4. Updates the **SPPCC** based on changes in scope, requirements or market conditions.
      5. Assists the Client in filing the required documents to secure approval of government authorities having jurisdiction over the design of the Project.
   5. **Bidding or Negotiation Phase.** In this phase, the Architect:
      1. Prepares the Bid Documents such as forms for contract letting, construction documents, forms for invitation and instruction to bidders, forms for bidders’ proposals, general / specific conditions of contract, etc.
      2. Assists the Client from the early stage of establishing a list of prospective Contractors to awarding of the construction contract.
   6. **Construction Phase.** In this phase, the Architect performs the following:
      1. Makes decisions on all claims of the Client and Contractors on all matters relating to the execution and progress of work or the interpretation of the Contract Documents.
      2. Prepares change orders, gathers and turns over to the Client written guarantees required of the Contractor and Sub-Contractors.
      3. Makes periodic visits to the project site to familiarize himself/herself with the general progress and quality of work and to ascertain that the work is proceeding in accordance with the Contract Documents. The Architect shall not be required to make exhaustive or continuous 8-hour on-site supervision to check on the quality of the work involved and shall not be held responsible for the Contractor's failure to carry out the Construction work in accordance with the Contract Documents. During such project site visits and on the basis of his/her observations, he/she shall report to the Client defects and deficiencies noted in the work of Contractors, and shall condemn work found failing to conform to the Contract Documents.
      4. Determines the amount owing and due to the Contractor and issues corresponding Certificates for Payment for such amounts based on his/her observations and the Contractor's Applications for Payment. These Certificates will constitute a certification to the Client that the work has progressed to the state indicated and that to his/her best knowledge, the quality of work performed by the Contractor is in accordance with the Contract Documents. The Architect shall conduct the necessary inspection to determine the date of substantial and final completion and issue the final Certificate of Payment to the Contractor.
      5. Should more extensive inspection or full-time (8-hour) construction supervision be required by the Client, a separate full-time supervisor shall be hired and agreed upon by the Client and the Architect. When the Architect is requested by the Client to do the fulltime supervision, his/her services and fees shall be covered separately.
2. **Client’s Obligations.**The Owner obliges himself/herself to perform the following:
   1. Provide full information as to his/her requirements for the Project.
   2. When necessary, designate a representative authorized to act on his/her behalf.
   3. Promptly examine and render decisions pertaining to documents submitted by the Architect to avoid unreasonable delay in the progress of the Architect’s work. The Client should issue orders to the General Contractor only through the Architect.
   4. Furnish or direct the Architect to obtain at client’s expense, a certified survey of the site, giving, as may be required, topographical and/or relocation surveys covering grades and lines of streets, alleys, easements, encroachments and related information, boundaries, with dimensions and complete data pertaining to existing buildings, structures, trees, plants, water bodies, wells, excavations / pits, etc. and other improvements and full information as to the available utility / service lines both public and private; zoning compliances, clearances, deed/s of restrictions, encumbrances and annotations to titles, association guidelines and standards, and soil investigations / tests, borings and test pits necessary for determining soil and sub-soil conditions.
   5. Promptly pay for architectural and all other engineering and allied services required for the project.
   6. Pay for the design and consulting services on acoustic, communication, electronic, and other specialty systems which may be required for the project.
   7. Arrange and pay for such legal, auditing, insurance, counselling and other services as may be required for the project.
   8. Pay for all reimbursable expenses incurred in the project and all taxes including VAT (but not including income tax) that the government may impose on the Architect as a result of the services rendered by the Architect on the project, whether the services were performed as a natural person i.e. an individual practitioner or as a juridical entity i.e. as a sole proprietorship, partnership or corporation.
   9. If the Client observes or otherwise becomes aware of anything that may impair the successful implementation of the project, he shall give prompt written notice to the Architect.
3. **Work Schedule.** The duration of the Works of the Architect shall be divided as follows:
   1. **Schematic Design Phase,** for Twenty (20) Working Day (depends on the complexity of the project and should be mutually agreed schedule by the Client and the Architect) exclusive of review and approval by the Client.
   2. **Design Development Phase,** for Thirty (30) Working Days (depends on the complexity of the project and should be mutually agreed schedule by the Client and the Architect) exclusive of review and approval by the Client.
   3. **Contract Documents Phase,** for Thirty (30) Working Days (depends on the complexity of the project and should be mutually agreed schedule by the Client and the Architect) exclusive of review and approval by the Client.
   4. Bidding Phase, for four (4) weeks, inclusive of review, negotiation, and approval by the Client.
   5. **Construction Phase**, One Hundred Forty-Four (144) Working Days or Six (6) Months,(depends on the complexity of the project and should be mutually agreed schedule by the Client and Architect) commencing after seven (7) days from the date of issuance of the Building Permit and with a Notice to Proceed (NTP) from the Client.

**NOW THEREFORE**, for and in consideration of the total sum equivalent to TEN PERCENT (10%) of the Project Construction Cost, and of the covenants hereinafter set forth, the parties agree to the following terms and conditions:

1. **Professional Fee.** The Architect’s Fee shall be the recommended Ten Percent (10%) of a mutually agreed upon Project Construction Cost of Php\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_. ( E-Vat Excluded)
   1. For purposes of this Professional Service Agreement, Project Construction Cost means the cost of the completed building to the Client, including the structure, plumbing/sanitary and electrical fixtures, mechanical equipment, fire protection system, communications and electronic system, elements attached to the building and all items indicated in the plans, designs, drawings and specifications prepared by the Architect and his/her consultants. The cost of materials used and the labor for their installation are part of the PCC. If these items are furnished by the Owner below its market cost, the cost of the material and labor shall nonetheless be computed on the basis of the current (and fair market value) costs.
   2. The Architect shall be paid by the Client in the following manner:
      1. Upon signing of this Professional Service Agreement / Contract, the amount of Php \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_equivalent to five percent (5%) of the agreed Professional Fee shall be paid by the Client as engagement fee or acceptance fee.
      2. Upon completion and submission of the documents under Schematic Design Phase, but not more than fifteen (15) days after submission of the documents to the Client, the Client shall pay the Architect a sum of Php \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ equivalent to fifteen percent (15%) of the Professional Fee.
      3. Upon completion and submission of the documents under Design Development Phase, but not more than fifteen (15) days after submission of the documents to the Client, the Client shall pay the Architect a sum of Php \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ equivalent to twenty percent (20%) of the Professional Fee.
      4. Upon completion and submission of the documents under Contract Document Phase, but not more than fifteen (15) days after submission

of the documents to the Client, the Client shall pay the Architect a sum of Php \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ equivalent to fifty percent (50%) of the Professional Fee.

* + 1. The remaining of the ten percent (10%) of the Professional Fee is broken down as follows:
       1. Five (5%) percent for Architect's Liability under the Civil Code for 1 year, and
       2. Five (5%) percent for the periodic site visit during construction.
  1. Once the Architect has prepared and submitted to the Client all the approved documents, then the Architect has deemed completed his/her Detailed Architectural and Engineering Design Services equivalent to Ninety percent (90%) of his/her work. The Architect is entitled to receive as compensation the sum corresponding to ninety percent (90%) of the Architect's Professional Fee.

1. **Payment Request**
2. All invoices / payment request of (Firm Name or the Architect), shall be paid by the Client within the due date of the progress billing unless otherwise agreed in writing.
3. In the event of late payment, (Firm Name or the Architect), may charge interest in the amount outstanding before and after judgment. Alternatively, for invoices unpaid seven (7) days after the due date, (Firm Name or the Architect), may impose a surcharge equal to 2.5% of the outstanding amount compounding to the number of weeks delayed.
4. **Change Orders**
   1. If the Architect renders additional professional services due to changes ordered by the Client after approval of the Architect’s outputs, the Client shall pay the Architect for extra time, resources/ drafting, or other office expenses.
5. **Work Suspension or Abandonment**
   1. If the work of the Architect is abandoned or suspended in whole or in part, the Client shall pay the Architect for the services rendered corresponding to the amount due at the stage of suspension or abandonment of the work.
6. **Different Periods of Construction** 
   1. If portions of the building/s are erected at different periods of time, thus increasing the construction period and the Architect’s burden of services, charges pertaining to services rendered during the Construction Phase shall be adjusted proportionately. When the suspension of construction exceeds a period of six (6) months, the fee for the remaining works shall be doubled.
7. **Force Majeure (Fortuitous Event)**
   1. Neither party shall be responsible nor be held liable for failure to comply with respective obligations, for those events which could not be foreseen, or which, through foreseen, where inevitable. It includes act of God, i.e. earthquakes, storms, floods, epidemics, fires, etc. It also includes act of man, i.e. armed invasion, attack by bandits, governmental prohibitions, robbery, etc.
   2. Notwithstanding the foregoing, force majeure does not apply when there is fraud, negligence, delay, or violation of this Professional Service Agreement/ Contract prior to, or concurrent with, the fortuitous event.
8. **Copyright or Ownership of Documents** 
   1. All designs, drawings, models, specifications and other contract documents and copies thereof, prepared, duly signed, stamped and sealed and furnished as instruments of service, are the intellectual property and documents of the Architect, whether the work for which they were made is executed or not, and are not to be reproduced or used on other work except with a written agreement with the Architect
9. **Arbitration**
   1. Any dispute, controversy, difference or claim arising out of or in relation to this Professional Service Agreement / Contract, including any question as to the interpretation, implementation, existence, validity, breach or termination thereof or as to any non-contractual obligation arising out of or relating thereto, shall be referred to and finally resolved by arbitration, as an alternative mode of settling disputes.
10. **Severability**
    1. If any provision of this Professional Service Agreement / Contract or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Professional Service Agreement / Contract, and the application of such provision to persons or circumstances other than those to which it is held invalid and unenforceable, shall not be affected thereby, and each provision of this Professional Service Agreement / Contract shall be valid and enforced to the fullest extent permitted by law.
11. **Suppletory Application of the 2010 PRB ARC Standards of Professional Practice (SPP) 202.**
    1. The provisions of this Professional Service Agreement / Contract shall primarily govern the relations of the parties.  The provisions of the applicable Standards of Professional Practice, however, shall apply in a suppletory character.

**In witness whereof,** we have hereunto set our hands this\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 2024.

Signed:

(sgd)

Mr. Juan Dela Cruz

Client or Owner

(sgd)

Arch. \_\_\_\_\_\_\_\_\_\_\_\_\_\_

Architect

Witnesses

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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**Acknowledgment:**

Republic of the Philippines )

Quezon City )

Before me, this \_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_, 2024 in Quezon City, personally appeared :

**NAME TYPE OF ID/ ID NO. DATE/PLACE ISSUED**

Mr. Juan Dela Cruz

Arch. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Known to me and to me known to be the same persons who executed the foregoing instrument, consisting of 7 page/s, including the page on which this acknowledgement is written, and who acknowledged to me that the same is their free act and deed.

In witness whereof, I have set my hand and affixed my notarial seal.

**NOTARY PUBLIC**

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