



# AIA<sup>®</sup> Document B105<sup>™</sup> – 2007 Instructions

## *Standard Form of Agreement Between Owner and Architect for a Residential or Small Commercial Project*

### GENERAL INFORMATION

**Purpose.** AIA Document B105–2007 is intended to be used for a residential or small commercial project that is modest in size and brief in duration. For larger and more complex projects, other AIA agreements are more suitable, such as B104<sup>™</sup>–2007, Agreement Between Owner and Architect for a Project of Limited Scope. For even larger or more complex projects, Owner/Architect agreements B101<sup>™</sup>–2007 or B103<sup>™</sup>–2007 are appropriate.

**Related Documents.** B105–2007 and AIA Document A105<sup>™</sup>–2007, Standard Form of Agreement Between Owner and Contractor for a Residential or Small Commercial Project, comprise the Small Projects family of documents. Within a document family, common definitions and parallel phrasing combine to form a consistent structure in support of all the major contractual relationships on the construction project. B105 adopts A105 by reference as it sets forth the Architect’s responsibilities during the Construction Phase.

**Alternate Dispute Resolution (ADR) Methods.** In order to maintain the condensed nature of this document, arbitration and other ADR provisions are omitted, but the parties may include them under Article 7. Even if not included in the agreement, the parties may agree to use ADR methods to resolve disputes instead of filing claims in court. For information about various methods of dispute resolution, refer to *The Construction Industry’s Guide to Dispute Avoidance and Resolution*, free online at [www.adr.org](http://www.adr.org).

**Use of Non-AIA Forms.** If a combination of AIA documents and non-AIA documents is to be used, particular care must be taken to achieve consistency of language and intent. Of particular concern is the need for consistency between the Owner-Architect Agreement and the anticipated General Conditions of the Contract for Construction in the delineation of the Architect’s Construction Phase services and responsibilities.

**Letter Forms of Agreement.** Letter forms of agreement are generally discouraged by the AIA, as is the performance of a part or the whole of professional services based on oral agreements or understandings. The standard AIA agreement forms have been developed through more than 100 years of experience and have been tested repeatedly in the courts. In addition, the standard forms have been carefully coordinated with other AIA documents.

**Use of Current Documents.** Prior to using any AIA Contract Document, users should consult the AIA, an AIA component chapter or a current AIA Documents List to determine the current edition of each document.

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## CHANGES FROM THE PREVIOUS EDITION

AIA Document B105–2007 is the successor to AIA Document B155™–1993. B105 incorporates alterations proposed by architects, contractors, owners, and consultants. Significant change is made to the document format to streamline and simplify it by removing paragraph numbering. The following are some of the changes made to the contents from B155–1993.

**Title.** The title of this document is changed to be more specific about its potential uses.

**Article 1.** The Architect’s standard of care is revised. The description of the Architect’s responsibilities is rewritten for clarity. A fill point is added for a description of any consulting services to be provided by the Architect.

**Article 2.** Language is added to the Owner’s responsibilities with respect to providing timely decisions and information, and requiring the Owner to furnish consulting services required for the Project that are not provided by the Architect.

**Article 3.** The definition of the Architect’s instruments of service is now clarified as “drawings, specifications and other documents” prepared by the Architect. Language is added providing that the Owner’s right to use the instruments of service ceases upon completion of the Project and that transmission of copyright-protected information is authorized.

**Article 4.** An addition is made to provide for mutual termination upon seven days’ notice if the Project is suspended for more than 90 days.

**Article 5.** A statement is added that nothing in the Agreement creates a contractual relationship with, or a cause of action in favor of, a third party against the Owner or the Architect.

## USING B105–2007

**Modifications.** Particularly with respect to professional or contractor licensing laws, building codes, taxes, monetary and interest charges, arbitration, indemnification, format and font size, AIA Contract Documents may require modification to comply with state or local laws. Users are encouraged to consult an attorney before completing or modifying a document.

In a purchased paper AIA Contract Document, necessary modifications may be accomplished by writing or typing the appropriate terms in the blank spaces provided on the document, or by attaching Supplementary Conditions, special conditions or referenced amendments.

Modifications directly to purchased paper AIA Contract Documents may also be achieved by striking out language. However, care must be taken in making these kinds of deletions.

Under NO circumstances should standard language be struck out to render it illegible. For example, users should not apply blocking tape, correction fluid or Xs that would completely obscure text. Such practices may raise suspicion of fraudulent concealment, or suggest that the completed and signed document has been tampered with. Both parties should initial handwritten changes.

Using AIA software, modifications to insert information and revise the standard AIA text may be made as the software permits.

By reviewing properly made modifications to a standard AIA Contract Document, parties familiar with that document can quickly understand the essence of the proposed relationship. Commercial exchanges are greatly simplified and expedited, good faith dealing is encouraged, and otherwise latent clauses are exposed for scrutiny.

AIA Contract Documents may not be retyped or electronically scanned. Retyping can introduce typographic errors and cloud legal interpretation given to a standard clause. Furthermore, retyping and electronic scanning are not permitted under the user’s limited license for use of the document, constitute the creation of a derivative work and violate the AIA’s copyright.

## Cover Page

**Date.** The date represents the date the Agreement becomes effective. It may be the date that an original oral agreement was reached, the date the Agreement was originally submitted to the Owner, the date authorizing action was taken or the date of actual execution. Professional services should not be performed prior to the effective date of the Agreement.

**Identification of Parties.** Parties to this Agreement should be identified using the full address and legal name under which the Agreement is to be executed.

**Project.** The proposed project should be described in sufficient detail to identify (1) the official name or title of the facility; (2) the location of the site, if known; (3) the proposed building type and usage; and (4) the size, capacity or scope of the project.

## Article 1 Architect's Responsibilities

At the end of paragraph one, insert a description of any consulting services the Architect will provide.

## Article 6 Payments and Compensation to the Architect

Insert the amount of, or the method for calculating, the Architect's compensation. Some sample methods of computing compensation are provided below:

Multiple of Direct Personnel Expense:

"Compensation for services rendered by principals, employees and professional consultants shall be based on a Multiple of Direct Personnel Expense. Direct Personnel Expense is the direct salaries of the architect's personnel engaged on the project and the portion of the cost of their mandatory and customary contributions and benefits related thereto, such as employment taxes and other statutory employee benefits, insurance, sick leave, holidays, vacations, pensions and similar contributions and benefits."

Professional Fee Plus Expenses:

"Compensation shall be a Fixed Fee of \_\_\_\_\_ Dollars (\$\_\_\_\_\_), plus compensation for services rendered by Principals, employees and professional consultants."

Stipulated Sum:

"Compensation shall be a stipulated sum of \_\_\_\_\_ Dollars (\$\_\_\_\_\_)."

Percentage of Construction Cost:

"Compensation shall be based on \_\_\_\_\_ percent (\_\_\_%) of Construction Cost. The Construction Cost shall be the total cost or estimated cost to the Owner of all elements of the Project designed or specified by the Architect and shall include the cost at current market rates of labor and materials furnished by the Owner and equipment designed, specified, selected or specially provided for by the Architect, plus a reasonable allowance for the Contractor's overhead and profit. In addition, a reasonable allowance for contingencies shall be included for market conditions at the time of bidding and for changes in the Work during construction. The Construction Cost, however, does not include the compensation of the Architect and Architect's consultants, the costs of the land, rights-of-way, financing or other costs which are the responsibility of the Owner."

After inserting the amount or method of compensation, insert the amount of the initial payment, which is to be determined by the parties.

Insert the percentage amount of the administrative fee to be paid to the Architect for reimbursable expenses.

Insert the number of days at which interest on unpaid invoices will begin to accrue and the rate of interest agreed upon or leave the interest rate blank to select the legal rate of interest.

Insert the number of months beyond which additional compensation shall be paid for services not completed through no fault of the Architect.

### **Article 7 Other Provisions**

Insert any modifications to the standard text of the document, if the modifications are not otherwise inserted elsewhere in the document. For more information about modifying the document, refer to the Modifications section of these Instructions.

### **EXECUTING THE AGREEMENT**

Persons executing the Agreement should indicate the capacity in which they are acting (i.e., president, secretary, partner, etc.) and the authority under which they are executing the Agreement. Where appropriate, a copy of the resolution authorizing the individual to act on behalf of the firm or entity should be attached.

