



REHABILITATION LOAN

Contractor Acknowledgement

CONTRACTOR: _____

PROPERTY ADDRESS: _____

I, _____,
wishing to act as a Contractor for the renovation project located at the above address,
acknowledge, and understand the terms under which I will be expected to perform. The terms
are outlined below:

- All work described on the Contractor Estimate must be completed in its entirety and in a workmanlike manner.
- The contractor has no familial or financial ties to the borrower, ensuring there is no identity of interest between the two parties
- Any changes to the scope of work must be approved by the Lender prior to being performed.
- If Contractor needs funds for materials purchased before construction begins, supported by a contractor statement, Contractor may obtain up to 35% of upfront payment, including permit costs.
- The final 65% will be released after satisfactory completion of all work, a final appraisal inspection confirming the property meets HUD requirements, and receipt of the contractor's final invoice.
- Any disputes that occur between the Borrower and the Contractor need to be reported immediately your lender.
- Continued delays and/or poor workmanship could result in the Contractor being removed from the project and replaced with another contractor and may result in forfeiture of any funds not disbursed including holdback.
- Contractor agrees not to perform extra work outside of the original scope without written approval of the Lender. Changes to the scope of work may require approval from the Appraiser.
- Work must begin promptly, within 30 days from closing, cannot cease for more than 30 consecutive days and must be completed within 270 days from closing
- All disbursements will be made by two party checks to the Contractor and Homeowner.

I certify that I have read and understand the requirements as outlined above and agree to cooperate in full.

Contractor Signature

Date