

Final Work Write Up and Specifications of Repairs

Consultant's Report

Demonstration Version---
NOT FOR CLIENT RELEASE

Demonstration Version---
 Prepared by
Ross Heaton

10 VAN TER,
 SPARKILL, 10976, New York
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Test Main Street Ross



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Inspected Address: Main street, Main, New York, 10977

Inspection Date: 03/02/2025

| Client | | Lender | |
|---------------|---------------------|---------------|----------------|
| Client Name: | Ross | Lender: | Test Lender |
| Client Phone: | | Lender Phone: | (845) 570-0412 |
| Client Email: | rheaton67@gmail.com | Loan Officer: | Ross Lender |
| | | Loan Officer | (845) 570-0412 |
| | | Phone: | |

Date:03-20-2025

REHAB PROJECT OVERVIEW

PROPERTY ADDRESS: Main Street, Main, New York 10977
 CONSULTANT: Ross Heaton

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| | | | |
|----------------|---------------------|---------|-------------|
| Borrower Name | Ross | Address | Main Street |
| Cell Phone # | () | City | Main |
| Home Phone # | | State | New York |
| Borrower Email | rheaton67@gmail.com | Zip | 10977 |

| | | | |
|---------------|-----------|----------------------|---|
| Rehab Type | Full 203k | Months Uninhabitable | 2 |
| FHA Case # | | | |
| Loan # | | | |
| Finance Type: | Purchase | | |

| | | | |
|----------------|--------------------|-------------------|---------------------|
| Lender Company | Test Lender | Loan Officer Name | ross Lender |
| Lender Cell # | 845 (845) 570-0412 | Lender Email | rheaton67@gmail.com |

| | | | |
|-----------------------|----------------|---------------------|---------------------------|
| Contractor Company #1 | Test Contactor | Contractor #1 Email | ross@marksinspections.com |
| Contractor Company #2 | | Contractor #2 Email | |
| Contractor Company #3 | | Contractor #3 Email | |
| Contractor Company #4 | | Contractor #4 Email | |



Rehabilitation Loan Permit Certification

(To be completed by local municipality or HUD Consultant)

Property: Main street,
Main, New York 10977

Applicant(s): Ross

Loan #: _____

Rehab Type: Full 203K Streamline 203k Fnrma Homestyle SONYMA _____ Other _____
Municipality Type: County Town City Village Other _____

Name of Municipality: _____ Phone No. (____) _____

Refinance Borrower(s) must provide written evidence, prior to closing, from local municipality (county/city/town/village, etc.) that they have applied for (and when possible, been granted) permits for all work items listed in their 203K plan which require permits

Purchase Borrower does not own subject property yet, but must validate, prior to closing, with local municipality (county / city/town/village, etc.) that all permits (if any) will be required for all work items listed in their 203K plan.

ATTN: BUILDING DEPARTMENT/INSPECTOR:

The property listed above is subject to renovations. Lending guidelines require that all necessary permits and inspections be obtained from local municipality authorities. Please review the attached plans & specifications to determine if any permits are required for the outlined work. Please indicate below which permits/inspections will be required, or if already issued.

| CONTRACTOR NAME | ANTICIPATED WORK (General Description) | APPROX. COST |
|-----------------|--|--------------|
| Test Contractor | All construction work (and subcontractors) | 92000.00 |
| | | |
| | | |
| | | |

-Please use the back of this form to include additional information-

| PERMIT TYPE: | PERMIT REQUIRED? | INSPECTION REQUIRED? | COST OF EACH? (if any) |
|---------------------|--|--|------------------------|
| GENERAL BLDG PERMIT | <input checked="" type="radio"/> Y / <input type="radio"/> N | <input checked="" type="radio"/> Y / <input type="radio"/> N | \$ 200.00 |
| HVAC | <input checked="" type="radio"/> Y / <input type="radio"/> N | <input checked="" type="radio"/> Y / <input type="radio"/> N | \$ 150.00 |
| ROOFING | <input checked="" type="radio"/> Y / <input type="radio"/> N | <input checked="" type="radio"/> Y / <input type="radio"/> N | \$ 250.00 |
| ELECTRICAL | <input type="radio"/> Y / <input checked="" type="radio"/> N | <input type="radio"/> Y / <input checked="" type="radio"/> N | \$ 0.00 |
| PLUMBING | <input type="radio"/> Y / <input checked="" type="radio"/> N | <input type="radio"/> Y / <input checked="" type="radio"/> N | \$ 0.00 |
| OTHER | <input type="radio"/> Y / <input checked="" type="radio"/> N | <input type="radio"/> Y / <input checked="" type="radio"/> N | \$ 0.00 |
| NO PERMITS REQUIRED | <input type="radio"/> Y / <input checked="" type="radio"/> N | <input type="radio"/> Y / <input checked="" type="radio"/> N | \$ 0.00 |

Signature: _____ Date: 03-20-2025

203K Consultant (ID# X012) *By signing HUD consultant certifies that s/he has verified the above information with municipality
 City/Town/County Bldg Inspector/Code Enforcement Officer

Borrower Acknowledgement/Notice to Mortgage Applicant: You must have this form completed either by your local municipality building code enforcement department or your HUD 203k consultant, if applicable. Your mortgage lender may not permit the scheduling of your closing without verification of required permits, for refinance or purchase transactions.

→ Borrower(s) SELECT ONE: I DO / I DO NOT request the sum of all permits to be financed into my 203k Rehabilitation Escrow. ←

Borrower Signature

Date

Borrower Signature

Date

Loan#:
Borrower:



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Inspection Date: 03/02/2025

Consultant: Ross Heaton

Contractor: Test Contractor

Applicant:

Ross

Property Address:

Main street,
Main, New York, 10977

Lender:

Test Lender

The following is the scope of work (Work Write Up WWU) document that represents the agreed upon items to be included in the escrow account for the rehabilitation loan to be obtained by the above indicated borrowers. This document (also known as the Specification of Repairs or SOR) has been created in most cases using the information and estimates of a selected contractor's bid.

Borrower acknowledges that this WWU was created based upon limited access to the property and it's systems or components. Changes are to be expected once work has begun. Borrower agrees to hold the consultant harmless for any changes, latent or concealed defects that may be identified following the close of escrow. Borrower further agrees to bring to the attention of the consultant (in writing) all suggested changes as identified by the contractor or that they themselves would like to have completed using the funds from the escrow account prior to the change order item work begins. Borrower and contractor agree that any work performed outside the scope of the WWU without prior written approval from the consultant/lender, may not be paid by the escrow funds. Contractor will provide a written Change Order Invoice to the borrower for review and signed acceptance. This executed Change Order Invoice will then be submitted to the consultant for review and submission to the Lender for PRIOR Approval. Should the change order include Desired (not safety or soundness required repairs), it may be suggested that the contractor establish separate payment arrangements and terms as payment for desired changes will not be disbursed until at least 80% of the listed items on the WWU have been disbursed. In most cases, this means the payment for these desired changes will not be disbursed until the final draw request.

Should the borrower be using the 203k FHA Rehab Loan, this WWU will report next to each line item a classification for the repair of M- Mandatory, R-Recommended by Consultant/Contractor, and D-Desired by borrower. This is important to note as should significant changes to the scope of work be identified after the close of escrow, the consultant may instruct the contractor to complete only those items identified with the classification of M. Funds allocated for items classified as R or D may be re-directed as necessary to correct any newly identified safety and/or soundness concerns as the FHA 203k Loan program dictates all Safety/Soundness repairs must be completed.

Borrower and Contractor agree to mutual and frequent communication during the project and all parties will make every effort to attend all inspections as required for the terms of the loan for which this WWU has been created.

Borrower and Contractor future agree that their contractual relationship may be terminated by either party with a minimum of a 10 day written notice (as verified by a signed return receipt for the delivery of such notice). Other terms and condition for this termination of contract may be required by the specific lending institution. All parties by their signature agree to be mindful of these terms as needed prior to close of escrow of the loan.

Borrower has agreed prior to the creation of the WWU to a Homeowner/Consultant Agreement. The terms of that agreement are binding throughout the Pre-Closing period as well as the entire duration of the consultant's activities during the rehabilitation and construction process.

Construction Categories, Items & Costs (Construction Cost Estimate)

| | | | | |
|-------------------|----------------------------|-------------------------|-----------------------|--------------------------------|
| 1. Masonry | <i>Material:</i> \$0.00 | <i>Labor:</i> \$0.00 | <i>Tax:</i> \$0.00 | <i>Total:</i> \$0.00 |
|-------------------|----------------------------|-------------------------|-----------------------|--------------------------------|

| | | | | |
|------------------|--------------------------------|-----------------------------|-----------------------|------------------------------------|
| 2. Siding | <i>Material:</i> \$10000.00 | <i>Labor:</i> \$12000.00 | <i>Tax:</i> \$0.00 | <i>Total:</i> \$22000.00 |
|------------------|--------------------------------|-----------------------------|-----------------------|------------------------------------|

| Repair Item | Repair Class | M.Unit | M.Qty | M.Cost | L.Unit | L.Qty | L.Cost | Tax | Sub Total |
|--|--------------|--------|-------|----------|--------|-------|----------|------|-----------|
| 1 Install new 2 .. Location: Exterior Repairer: Contractor | D | LS | 1 | 10000.00 | LS | 1 | 12000.00 | 0.00 | 22000.00 |

| | | | | | |
|--------------------------|-----------------|--|-----------------|-------------|-----------------|
| 2. Siding Totals: | 10000.00 | | 12000.00 | 0.00 | 22000.00 |
|--------------------------|-----------------|--|-----------------|-------------|-----------------|

Category Details

Costs for local material / equipment delivery to and service provider transportation to and from the job site.
 Costs to install Synthetic Stucco Siding in existing structure, without modifications to structure or systems.
 Labor planning and setup time, mobilization time, cleanup time and as appropriate, time needed to achieve minimum job hours agreed to before work begins

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|------------------------------|----------------------------|-------------------------|-----------------------|--------------------------------|
| 3. Gutters/Downspouts | <i>Material:</i> \$0.00 | <i>Labor:</i> \$0.00 | <i>Tax:</i> \$0.00 | <i>Total:</i> \$0.00 |
|------------------------------|----------------------------|-------------------------|-----------------------|--------------------------------|

| | | | | |
|----------------|--------------------------------|-----------------------------|-----------------------|------------------------------------|
| 4. Roof | <i>Material:</i> \$12000.00 | <i>Labor:</i> \$10000.00 | <i>Tax:</i> \$0.00 | <i>Total:</i> \$22000.00 |
|----------------|--------------------------------|-----------------------------|-----------------------|------------------------------------|

| Repair Item | Repair Class | M.Unit | M.Qty | M.Cost | L.Unit | L.Qty | L.Cost | Tax | Sub Total |
|--|--------------|--------|-------|----------|--------|-------|----------|------|-----------|
| 1 Reroofing .. Location: Roof Repairer: Contractor | M | LS | 1 | 12000.00 | LS | 1 | 10000.00 | 0.00 | 22000.00 |

| | | | | | |
|------------------------|-----------------|--|-----------------|-------------|-----------------|
| 4. Roof Totals: | 12000.00 | | 10000.00 | 0.00 | 22000.00 |
|------------------------|-----------------|--|-----------------|-------------|-----------------|

Category Details

Asphalt Shingle Roof Cost:
 Non-discounted retail pricing for popular: Asphalt composition shingle. 2.2 lbs per SF. UL Class A fire resistance and 110 mph wind resistance. 30 yr warranty. Calculated purchase quantity includes overage for typical waste and small future repairs.
 Asphalt Shingle Roofing Installation Labor, Basic:
 Basic labor to install asphalt shingle roof with favorable site conditions. Install drip edge/eave trim, and valley flashing. Install roofing paper / membrane. Layout, fabricate, overlap and secure asphalt shingles per manufacturer instructions. Includes planning, equipment and material acquisition, area preparation and protection, setup and cleanup.
 Asphalt Shingle Roofing Installation Job Supplies:
 Cost of related materials and supplies typically required to install asphalt shingle roof including: fasteners, underlayment, drip edges, sealant and basic flashing. 3203 Sf75
 Asphalt Shingle Roofing Installation Equipment Allowance:
 Job related costs of specialty equipment used for job quality and efficiency, including: Roof jacks, pneumatic roofing nailer, shingle cutting tools. Daily rental. Consumables extra. 1 job
 Tear Off Roof:
 Remove existing roofing material, roof paper, vent jacks and flashing, and gutters if needed. Sweep area clean of all nails / staples.
 Asphalt Shingle Roof Debris Disposal:
 Costs to load, haul away and dispose of old materials, installation waste and associated debris.

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|--------------------|----------------------------|-------------------------|-----------------------|--------------------------------|
| 5. Shutters | <i>Material:</i> \$0.00 | <i>Labor:</i> \$0.00 | <i>Tax:</i> \$0.00 | <i>Total:</i> \$0.00 |
|--------------------|----------------------------|-------------------------|-----------------------|--------------------------------|

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|---------------------|----------------------------|-------------------------|-----------------------|--------------------------------|
| 6. Exteriors | <i>Material:</i> \$0.00 | <i>Labor:</i> \$0.00 | <i>Tax:</i> \$0.00 | <i>Total:</i> \$0.00 |
|---------------------|----------------------------|-------------------------|-----------------------|--------------------------------|

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|-----------------|----------------------------|-------------------------|-----------------------|--------------------------------|
| 7. Walks | <i>Material:</i> \$0.00 | <i>Labor:</i> \$0.00 | <i>Tax:</i> \$0.00 | <i>Total:</i> \$0.00 |
|-----------------|----------------------------|-------------------------|-----------------------|--------------------------------|

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|---------------------|----------------------------|-------------------------|-----------------------|--------------------------------|
| 8. Driveways | <i>Material:</i> \$0.00 | <i>Labor:</i> \$0.00 | <i>Tax:</i> \$0.00 | <i>Total:</i> \$0.00 |
|---------------------|----------------------------|-------------------------|-----------------------|--------------------------------|

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|---------------------------|----------------------------|-------------------------|-----------------------|--------------------------------|
| 9. Painting (Ext.) | <i>Material:</i> \$0.00 | <i>Labor:</i> \$0.00 | <i>Tax:</i> \$0.00 | <i>Total:</i> \$0.00 |
|---------------------------|----------------------------|-------------------------|-----------------------|--------------------------------|

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|---------------------|----------------------------|-------------------------|-----------------------|--------------------------------|
| 10. Caulking | <i>Material:</i> \$0.00 | <i>Labor:</i> \$0.00 | <i>Tax:</i> \$0.00 | <i>Total:</i> \$0.00 |
|---------------------|----------------------------|-------------------------|-----------------------|--------------------------------|

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|--------------------|----------------------------|-------------------------|-----------------------|--------------------------------|
| 11. Fencing | <i>Material:</i> \$0.00 | <i>Labor:</i> \$0.00 | <i>Tax:</i> \$0.00 | <i>Total:</i> \$0.00 |
|--------------------|----------------------------|-------------------------|-----------------------|--------------------------------|

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|--------------------------------|----------------------------|-------------------------|-----------------------|--------------------------------|
| 12. Grading/Landscaping | <i>Material:</i> \$0.00 | <i>Labor:</i> \$0.00 | <i>Tax:</i> \$0.00 | <i>Total:</i> \$0.00 |
|--------------------------------|----------------------------|-------------------------|-----------------------|--------------------------------|

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|--------------------|-------------------------------|----------------------------|-----------------------|------------------------------------|
| 13. Windows | <i>Material:</i> \$8800.00 | <i>Labor:</i> \$5000.00 | <i>Tax:</i> \$0.00 | <i>Total:</i> \$13800.00 |
|--------------------|-------------------------------|----------------------------|-----------------------|------------------------------------|

| <i>Repair Item</i> | <i>Repair Class</i> | <i>M.Unit</i> | <i>M.Qty</i> | <i>M.Cost</i> | <i>L.Unit</i> | <i>L.Qty</i> | <i>L.Cost</i> | <i>Tax</i> | <i>Sub Total</i> |
|--|---------------------|---------------|--------------|---------------|---------------|--------------|---------------|------------|------------------|
| 1 Install new vinyl thermal pane double hung window w/screen .. Location: 1st Floor Repairer: Contractor | R | LS | 11 | 800.00 | LS | 1 | 5000.00 | 0.00 | 13800.00 |

| | | | | |
|----------------------------|----------------|----------------|-------------|-----------------|
| 13. Windows Totals: | 8800.00 | 5000.00 | 0.00 | 13800.00 |
|----------------------------|----------------|----------------|-------------|-----------------|

Category Details

Replacement Window Cost:

Non-discounted retail pricing for popular: Vinyl frame window with dual pane, 0.35 U factor and low-e glass. Limited lifetime warranty.

Replacement Window Installation Labor, Basic:

Basic labor to install replacement windows with favorable site conditions. Set unit in rough opening. Shim to achieve level and plumb placement. Set jamb edges flush to finished wall surface. Secure unit to rough opening framing. Insulate perimeter and secure house wrap at window as appropriate. Repair of exterior and interior surfaces is not included. Includes planning, equipment and material acquisition, area preparation and protection, setup and cleanup.

Replacement Window Installation Job Supplies:

Cost of related materials and supplies typically required to install replacement windows including: fasteners, shims, flashing, drip cap, perimeter foam insulation and exterior caulking.

Remove Windows:

Score perimeter of window frame or casing on interior, where bonded to adjacent surface(s). Remove casing. Remove exterior trim and siding around window perimeter, beyond flashing. Remove accessible fasteners and window frame without damaging adjacent surfaces, finishes or hardware. Remove materials from premises. Material cost includes dump fee.

Replacement Window Debris Disposal:

Costs to load, haul away and dispose of old materials, installation waste and associated debris.

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|-------------------------|----------------------------|-------------------------|-----------------------|--------------------------------|
| 14. Weatherstrip | <i>Material:</i> \$0.00 | <i>Labor:</i> \$0.00 | <i>Tax:</i> \$0.00 | <i>Total:</i> \$0.00 |
|-------------------------|----------------------------|-------------------------|-----------------------|--------------------------------|

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|-------------------------|----------------------------|-------------------------|-----------------------|--------------------------------|
| 15. Doors (Ext.) | <i>Material:</i> \$0.00 | <i>Labor:</i> \$0.00 | <i>Tax:</i> \$0.00 | <i>Total:</i> \$0.00 |
|-------------------------|----------------------------|-------------------------|-----------------------|--------------------------------|

| | | | | |
|-------------------------|----------------------------|-------------------------|-----------------------|--------------------------------|
| 16. Doors (Int.) | <i>Material:</i> \$0.00 | <i>Labor:</i> \$0.00 | <i>Tax:</i> \$0.00 | <i>Total:</i> \$0.00 |
|-------------------------|----------------------------|-------------------------|-----------------------|--------------------------------|

| | | | | |
|---------------------------|----------------------------|-------------------------|-----------------------|--------------------------------|
| 17. Partition Wall | <i>Material:</i> \$0.00 | <i>Labor:</i> \$0.00 | <i>Tax:</i> \$0.00 | <i>Total:</i> \$0.00 |
|---------------------------|----------------------------|-------------------------|-----------------------|--------------------------------|

| | | | | |
|----------------------------|----------------------------|-------------------------|-----------------------|--------------------------------|
| 18. Plaster/Drywall | <i>Material:</i> \$0.00 | <i>Labor:</i> \$0.00 | <i>Tax:</i> \$0.00 | <i>Total:</i> \$0.00 |
|----------------------------|----------------------------|-------------------------|-----------------------|--------------------------------|

| | | | | |
|-----------------------|----------------------------|-------------------------|-----------------------|--------------------------------|
| 19. Decorating | <i>Material:</i> \$0.00 | <i>Labor:</i> \$0.00 | <i>Tax:</i> \$0.00 | <i>Total:</i> \$0.00 |
|-----------------------|----------------------------|-------------------------|-----------------------|--------------------------------|

| | | | | |
|----------------------|----------------------------|-------------------------|-----------------------|--------------------------------|
| 20. Wood Trim | <i>Material:</i> \$0.00 | <i>Labor:</i> \$0.00 | <i>Tax:</i> \$0.00 | <i>Total:</i> \$0.00 |
|----------------------|----------------------------|-------------------------|-----------------------|--------------------------------|

| | | | | |
|-------------------|----------------------------|-------------------------|-----------------------|--------------------------------|
| 21. Stairs | <i>Material:</i> \$0.00 | <i>Labor:</i> \$0.00 | <i>Tax:</i> \$0.00 | <i>Total:</i> \$0.00 |
|-------------------|----------------------------|-------------------------|-----------------------|--------------------------------|

| | | | | |
|--------------------|----------------------------|-------------------------|-----------------------|--------------------------------|
| 22. Closets | <i>Material:</i> \$0.00 | <i>Labor:</i> \$0.00 | <i>Tax:</i> \$0.00 | <i>Total:</i> \$0.00 |
|--------------------|----------------------------|-------------------------|-----------------------|--------------------------------|

| | | | | Material: | Labor: | Tax: | Total: | | |
|--|--------------|--------|-------|----------------|------------|--------|-------------------|-------------|-----------------|
| 23. Wood Floors | | | | \$6000.00 | \$12000.00 | \$0.00 | \$18000.00 | | |
| Repair Item | Repair Class | M.Unit | M.Qty | M.Cost | L.Unit | L.Qty | L.Cost | Tax | Sub Total |
| 1 Install new hardwood floors. .. Location: 2nd Floor Repairer: Contractor | D | LS | 1 | 6000.00 | LS | 1 | 12000.00 | 0.00 | 18000.00 |
| 23. Wood Floors Totals: | | | | 6000.00 | | | 12000.00 | 0.00 | 18000.00 |

Category Details

Hardwood Flooring Cost:

Non-discounted retail pricing for popular: Residential, above-grade red oak flooring. 25 yr limited warranty. UV resistant 7 coat AIO satin finish. For nail down installation. Calculated purchase quantity includes overage for typical waste and small future repairs. 854 SF \$5,447 \$7,172

Hardwood Floor Installation Labor, Basic:

Basic labor to install hardwood floor with favorable site conditions. Install underlayment on clean, level subfloor. Acclimate, cull and blend flooring. Blind nail wood flooring. Includes planning, equipment and material acquisition, area preparation and protection, setup and cleanup.

Hardwood Floor Installation Job Supplies:

Cost of related materials and supplies typically required to install hardwood floor including: manufacturer recommended underlayment, fasteners, adhesives and surface sealants.

Hardwood Floor Installation Equipment Allowance:

Job related costs of specialty equipment used for job quality and efficiency, including: Pneumatic nailer for 1 1/2" to 2" nails and up to 3/4" thick flooring. Daily rental. Consumables extra.

| | | | | Material: | Labor: | Tax: | Total: | | |
|----------------------------|--|--|--|-----------|--------|--------|---------------|--|--|
| 24. Finished Floors | | | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | | |

| | | | | Material: | Labor: | Tax: | Total: | | |
|-------------------------|--|--|--|-----------|--------|--------|---------------|--|--|
| 25. Ceramic Tile | | | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | | |

| | | | | Material: | Labor: | Tax: | Total: | | |
|-----------------------------|--|--|--|-----------|--------|--------|---------------|--|--|
| 26. Bath Accessories | | | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | | |

| | | | | Material: | Labor: | Tax: | Total: | | |
|---------------------|--|--|--|-----------|--------|--------|---------------|--|--|
| 27. Plumbing | | | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | | |

| | | | | Material: | Labor: | Tax: | Total: | | |
|-----------------------|--|--|--|-----------|--------|--------|---------------|--|--|
| 28. Electrical | | | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | | |

| | | | | Material: | Labor: | Tax: | Total: | | |
|--------------------|--------------|--------|-------|-----------|-----------|--------|-------------------|-----|-----------|
| 29. Heating | | | | \$6000.00 | \$4000.00 | \$0.00 | \$10000.00 | | |
| Repair Item | Repair Class | M.Unit | M.Qty | M.Cost | L.Unit | L.Qty | L.Cost | Tax | Sub Total |

Class

| | | | | | | | | | | |
|---|---|---|----|---|---------|----|---|---------|------|----------|
| 1 | Install new forced warm air heater .. Location: Basement Repairer: Contractor | M | LS | 1 | 6000.00 | LS | 1 | 4000.00 | 0.00 | 10000.00 |
|---|---|---|----|---|---------|----|---|---------|------|----------|

| | | | | | | | | | | |
|----------------------------|--|--|--|--|----------------|--|--|----------------|-------------|-----------------|
| 29. Heating Totals: | | | | | 6000.00 | | | 4000.00 | 0.00 | 10000.00 |
|----------------------------|--|--|--|--|----------------|--|--|----------------|-------------|-----------------|

Category Details

Forced Air Furnace Cost:

Non-discounted retail pricing for popular: 96% efficiency gas furnace heater. 5 ton 120,000 BTU capacity. Requires natural gas and 120V connections at unit. 10 yr limited warranty.

Forced Air Furnace Installation Labor, Basic:

Basic labor to install forced air furnace with favorable site conditions. Install with existing ductwork. Install 3/4" gas line (up to 20 ft) with shutoff valve. Install branch 120V circuit. Fabricate openings, support mounting and venting system. Connect unit to existing supply and return ducting. Connect power, gas and thermostat. Verify proper operation. Includes planning, equipment and material acquisition, area preparation and protection, setup and cleanup.

Forced Air Furnace Installation Job Supplies:

Cost of related materials and supplies typically required to install forced air furnace including: fittings, fasteners and mounting hardware.

Forced Air Furnace Installation Equipment Allowance:

Job related costs of specialty equipment used for job quality and efficiency, including: Pipe cutting and threading, tubing cutter, brazing kit and pipe wrenches. Daily rental. Consumables extra.

Remove HVAC Unit:

Disconnect power, connections and fittings. Disconnect mounting hardware and remove unit from premises. For units up to 200 LBS.

Material cost includes dump fee.

Forced Air Furnace Debris Disposal:

Costs to load, haul away and dispose of old materials, installation waste and associated debris.

| | | | | | | | | | | |
|-----------------------|--|--|--|--|-------------------------------|----------------------------|-----------------------|-----------------------------------|--|--|
| 30. Insulation | | | | | <i>Material:</i> \$3000.00 | <i>Labor:</i> \$4000.00 | <i>Tax:</i> \$0.00 | <i>Total:</i> \$7000.00 | | |
|-----------------------|--|--|--|--|-------------------------------|----------------------------|-----------------------|-----------------------------------|--|--|

| Repair Item | Repair Class | M.Unit | M.Qty | M.Cost | L.Unit | L.Qty | L.Cost | Tax | Sub Total |
|--|--------------|--------|-------|---------|--------|-------|---------|------|-----------|
| 1 Install insulation in crawl space: R-13 .. Location: Crawlspace Repairer: Owner | M | LS | 1 | 3000.00 | LS | 1 | 4000.00 | 0.00 | 7000.00 |

| | | | | | | | | | | |
|-------------------------------|--|--|--|--|----------------|--|--|----------------|-------------|----------------|
| 30. Insulation Totals: | | | | | 3000.00 | | | 4000.00 | 0.00 | 7000.00 |
|-------------------------------|--|--|--|--|----------------|--|--|----------------|-------------|----------------|

Category Details

Batt Insulation Cost:

Non-discounted retail pricing for popular: R25 15" x 40' insulation batt roll for friction fit installation between common framing. R 3.4 per inch of thickness. Calculated purchase quantity includes overage for typical waste and small future repairs.

Crawl Space Insulation Labor, Basic:

Basic labor to insulate crawl space with favorable site conditions. Fit and secure batt insulation between floor joists. Includes planning, equipment and material acquisition, area preparation and protection, setup and cleanup.

Crawl Space Insulation Job Supplies:

Cost of related materials and supplies typically required to insulate crawl space including: fasteners, vent flow baffles and sealing tape.

| | | | | | | | | | | |
|----------------------|--|--|--|--|----------------------------|-------------------------|-----------------------|--------------------------------|--|--|
| 31. Cabinetry | | | | | <i>Material:</i> \$0.00 | <i>Labor:</i> \$0.00 | <i>Tax:</i> \$0.00 | <i>Total:</i> \$0.00 | | |
|----------------------|--|--|--|--|----------------------------|-------------------------|-----------------------|--------------------------------|--|--|

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|-----------------------|--|--|--|--|----------------------------|-------------------------|-----------------------|--------------------------------|--|--|
| 32. Appliances | | | | | <i>Material:</i> \$0.00 | <i>Labor:</i> \$0.00 | <i>Tax:</i> \$0.00 | <i>Total:</i> \$0.00 | | |
|-----------------------|--|--|--|--|----------------------------|-------------------------|-----------------------|--------------------------------|--|--|

| | | | | |
|---------------|-----------|--------|--------|---------------|
| 33. Basements | Material: | Labor: | Tax: | Total: |
| | \$0.00 | \$0.00 | \$0.00 | \$0.00 |

Demonstration Version---

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| 34. Cleanup | Material: | Labor: | Tax: | Total: |
| | \$0.00 | \$0.00 | \$0.00 | \$0.00 |

Demonstration Version---

| | | | | |
|-------------------|-----------|--------|--------|---------------|
| 35. Miscellaneous | Material: | Labor: | Tax: | Total: |
| | \$0.00 | \$0.00 | \$0.00 | \$0.00 |

Demonstration Version---
NOT FOR CLIENT RELEASE
Demonstration Version---

Project Construction and Fee Estimate
Test Main Street Ross

| Construction Categories | | Total \$ |
|--|---------------------|-------------------|
| Section 1 | Masonry | 0.00 |
| Section 2 | Siding | 22000.00 |
| Section 3 | Gutters/Downspouts | 0.00 |
| Section 4 | Roof | 22000.00 |
| Section 5 | Shutters | 0.00 |
| Section 6 | Exteriors | 0.00 |
| Section 7 | Walks | 0.00 |
| Section 8 | Driveways | 0.00 |
| Section 9 | Painting (Ext.) | 0.00 |
| Section 10 | Caulking | 0.00 |
| Section 11 | Fencing | 0.00 |
| Section 12 | Grading/Landscaping | 0.00 |
| Section 13 | Windows | 13800.00 |
| Section 14 | Weatherstrip | 0.00 |
| Section 15 | Doors (Ext.) | 0.00 |
| Section 16 | Doors (Int.) | 0.00 |
| Section 17 | Partition Wall | 0.00 |
| Section 18 | Plaster/Drywall | 0.00 |
| Section 19 | Decorating | 0.00 |
| Section 20 | Wood Trim | 0.00 |
| Section 21 | Stairs | 0.00 |
| Section 22 | Closets | 0.00 |
| Section 23 | Wood Floors | 18000.00 |
| Section 24 | Finished Floors | 0.00 |
| Section 25 | Ceramic Tile | 0.00 |
| Section 26 | Bath Accessories | 0.00 |
| Section 27 | Plumbing | 0.00 |
| Section 28 | Electrical | 0.00 |
| Section 29 | Heating | 10000.00 |
| Section 30 | Insulation | 7000.00 |
| Section 31 | Cabinetry | 0.00 |
| Section 32 | Appliances | 0.00 |
| Section 33 | Basements | 0.00 |
| Section 34 | Cleanup | 0.00 |
| Section 35 | Miscellaneous | 0.00 |
| Section 1 - 35 Construction Cost SUBTOTAL | | \$92800.00 |

| Fee Name | Fee Details | Total \$ |
|--|-------------------------------------|--------------------|
| Draw Fees | 3 Draws at 375.000 | 1,125.00 |
| Mileage Fee | 23 Miles at 0.720 * 3 trips | 49.68 |
| Work Write up/Blind or 92% K-in repairs (Paid in Full) | Report | 1000.00 |
| Feasibility Study | Includes Mileage (Paid in Full) | 391.56 |
| Termite Inspection | Passed WDO Report (Paid in full) | 125.00 |
| Architectural plans | Due and Payable to Hayes Architects | 1800.00 |
| TOTAL | Fee Grand Total | \$ 4,491.24 |

| Sub Total Name | Notes | GRAND Total |
|-----------------------|-----------------|----------------------|
| Construction Subtotal | | \$92800.00 |
| Contingency Amount | 20% | \$18560.00 |
| Fee Total | Fee Grand Total | \$ 4,491.24 |
| Grand Total | | \$ 115,851.24 |

Date of Signature: 03-20-2025

BORROWER SIGNATURE: _____

CONSULTANT SIGNATURE: _____

CONTRACTOR SIGNATURE: _____

Consultant Services Agreement

Demonstration Version---
NOT FOR CLIENT RELEASE
Demonstration Version---

This Agreement is made on 03-20-2023 between the Consultant and Client/Borrower. The Client hereby desires to engage the Consultant to perform services required to implement on HUD's Mortgage Insurance Program as it pertains to the architectural concerns for the Property located below.

Borrower/Client: Ross

Client Phone:

Client Address: Main Street, Main, New York, 10977

Consultant Name: Ross Heaton

IT IS MUTUALLY UNDERSTOOD AND AGREED AS FOLLOWS:

1. INITIAL WALK-THROUGH AND FEASIBILITY STUDY. The Consultant will accompany the Client(s) (or the Client(s)'s agent and/or contractor) during a walk-through of the property, during which the property will be initially analyzed for compliance with the 203(k) Rehabilitation Mortgage Insurance Program. The Consultant will recommend repairs, modifications that, in the Consultant's opinion, will be necessary to comply with the 203(k) program requirements. Consultant will assist the Client(s) with determining the project is feasible and the obtaining of a contractor by providing a preliminary work write-up and contractor bid package that describes the proposed rehabilitation and identifies the line item work and estimated cost of the project. The fee for the preliminary work write up and contractor bid forms will be deducted from the fee for the Work Write Up. The total fee charged at the time of this initial walk-through includes the fee for the feasibility study.

2. WORK WRITE-UP AND DRAW REQUEST. The Consultant will assure that the Specifications of Repairs and the Draw Request are properly prepared and delivered to the lender in accordance with HUD requirements and according to "time is of the essence" principles. The Client(s) and the Consultant are aware that on HUD-owned properties where the Client(s) has been awarded the bid, that the architectural exhibits, the Specifications of Repairs, and the Draw Request from should be delivered to the Lender within 15 calendar days from the award date of the bid. The Consultant shall assist the borrower by providing any and all exhibits required by the lender as licensed.

Demonstration Version---
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Demonstration Version---

3. INSPECTIONS. The Consultant will track, monitor, and review all inspections performed on the property prior to closing. This includes, but is not limited to, mechanical inspections, engineering inspections, termite inspections, and local government inspections. Client(s) guarantees that the Consultant will be exclusive firm employed to perform Draw Inspections that will occur after the closing of the loan. Client(s) further agrees to a home inspection to be performed by Consultant (or other employee of firm) as per HUD-92564-CN. This inspection will be completed according to the licensing requirements of the State of New York and / or the Standards of Practice of ASHI. This inspection may occur before, during or after the consultation appointment.

4. AGREEMENT DURATION. The Consultant will perform all services described herein, from the date of this

agreement to the closing of the loan with the Lender. With the approval of the Lender, this agreement can be terminated with the mutual consent of the parties.

5. INDEMNIFICATION. For work performed by the Consultant or contracted to third parties by the Consultant during this agreement, or after termination of this agreement, the Client(s) agree to indemnify, defend, and hold harmless the Consultant, or his/her employees, of and from all claims, actions, demands, damages, liability, and costs attendant to defending against the same brought or made for on account of any injuries or damages sustained by any person or persons or property, arising out of or occasioned by the acts of the Consultant, or his/her agents or employees. Ross Heaton and shall not be held responsible for any additional work required after our initial inspection of the property. Ross Heaton and will assume no liability over the amount invoiced in any case.

6. CONSULTANT FEE. A non-refundable fee of \$400 is charged for the services of Initial Walk-through and Feasibility Study described in this agreement. The release of said fee is due at or before the time of the appointment to Consultant from client(s). Three hundred dollars (\$300.00) of the fee paid for the Initial Walk-through and Feasibility Study will be deducted from the total due for the Work Write Up. The fee for the Work Write Up Package will be due from client(s) prior to release of the paperwork to the lender. Once the Work Write Up has been delivered, client(s) will be provided 1 (one) revision to the scope of work at no extra cost. Any future revisions based on changes to the scope of work or cost of the repairs will require a payment of \$100 payable before the changes are completed. Any balance due shall be paid before loan closing. The 203(k) loan, if funded, may include financing of this Consultant fee. If financed, said fee will be credited to Client(s) for the amount prepaid to Consultant by Client(s) with any balance due to consultant disbursed to Consultant. There is also an additional \$25 charge for any returned checks. Any unpaid balances are charged at the rate of 1.5% per month after 30 days of loan closing. Any and all collection cost shall be the responsibility of the Client(s). The client(s) agrees to pay the Work Write Up fee based on the total repair amount of the project prior to delivery of this report. The total fee for the Work Write-Up is as follows:

- Repairs less than \$7,500 Fee of \$ 450
- Repairs between \$ 7,501 and 15,000 Fee of \$ 550
- Repairs between \$ 15,001 and 30,000 Fee of \$ 650
- Repairs between \$ 30,001 and 45,000 Fee of \$ 750
- Repairs between \$ 45,001 and 60,000 Fee of \$ 800
- Repairs between \$ 60,001 and 75,000 Fee of \$ 850
- Repairs between \$ 75,001 and 100,000 Fee of \$ 950
- Repairs between \$100,001 and 125,000 Fee of \$1000
- Repairs between \$125,001 and 140,000 Fee of \$1250
- Repairs between \$140,001 and 180,000 Fee of \$1400
- Repairs between \$180,001 and up Fee of \$2000

An additional fee of \$50 will be assessed on the total Work Write-Up cost and all draw inspection fees for each additional unit within the deeded property (up to a HUD maximum of a four family dwelling)

7. DEFAULT. If the Client(s) fails to pay the monies due under this agreement, the Client(s) will pay the Consultant's costs to collect the monies due under this agreement, including (but not limited to), his reasonable attorney's fee, expert witness fees, and cost of suit.

8. DISPUTE RESOLUTION. Client(s) agrees that any claim, for negligence, breach of contract or otherwise, be made in writing and reported to Company within ten (10) business days of discovery. Client(s) further agrees to allow Company the opportunity to re-inspect the claimed discrepancy, with the exception of emergency conditions, before Client(s) or Client(s)'s agents, employees, or independent contractor repairs, replaces, alters, or modifies the claimed discrepancy. Client(s) understands and agrees that any failure to notify Company as stated above shall constitute a waiver of any and all claims Client(s) may have against the company. Any legal action must be brought within one (1) year from the date of the inspection. Failure to bring said action within one (1) year of the date of the inspection is a full and complete waiver of any rights, actions or causes of actions that may have arisen therefrom. Time is expressly of essence herein. This time period maybe shorter than otherwise, provided for by law. Any dispute, controversy, interpretation or claim including claims for, but not limited to, breach of contract, any form of negligence, fraud, or misrepresentation arising out of, from or related to, this contract or arising out of, from or related to inspection or inspection report shall be submitted to final and binding arbitration under the Rules and Procedures of the expedited Arbitration of Home Inspection Disputes of Construction Arbitration Services Inc. The decision of the Arbitrator appointed thereunder shall be final and binding and judgment on the Award may be entered in any Court of competent jurisdiction.

9. INFORMATION RELEASE. The client(s) herein understands and approves the release of all documentation relating to this agreement and other parties associated with the closing of a new or the loan and/or rehabilitation of the property and all parties related to funding aspect. Client(s) grants permission to the Consultant to use photographs taken in connection with this consulting agreement in advertising and promotional material.

10. CLIENT(S)'S ATTENDANCE. The inspection service is conducted at the property. The physical on-site inspection of the property is a very valuable time of exchange of information between the Company and the Client(s). Any particular concern of the client(s) must be brought to the attention of the Company before the inspection begins. The written report will not substitute for client(s)'s personal presence during the inspection. It is virtually impossible to fully profile any building with any reporting system. Unless Client(s) attends and participates in the inspection process itself, the client(s) will have no chance of gaining all of the information that is offered. If Client(s) does not attend the inspection, this Agreement becomes effective upon commencement of the Inspection.

Fee Details

FEES PAID BY BORROWER
 Demonstration Version---
NOT FOR CLIENT RELEASE
 Demonstration Version---

| Fee Name | Fee Details | Total \$ |
|----------------------|---|--------------------|
| Work Write up Report | Based on 92K+ in repairs (Paid in Full) | 1000.00 |
| Feasibility Study | Includes Mileage (Paid in Full) | 391.56 |
| Termite Inspection | Passed WDO Report (Paid in full) | 125.00 |
| TOTAL | Fee Grand Total | \$ 1,516.56 |

FEES INCLUDED IN ESCROW

| Fee Name | Fee Details | Total \$ |
|----------------------|---|--------------------|
| Draw Fees | 3 Draws at 375.000 | 1,125.00 |
| Mileage Fee | 23 Miles at 0.720 * 3 trips | 49.68 |
| Work Write up Report | Based on 92K+ in repairs (Paid in Full) | 1000.00 |
| Feasibility Study | Includes Mileage (Paid in Full) | 391.56 |
| Termite Inspection | Passed WDO Report (Paid in full) | 125.00 |
| Architectural plans | Due and Payable to Hayes Architects | 1800.00 |
| TOTAL | Fee Grand Total | \$ 4,491.24 |

Demonstration Version---
NOT FOR CLIENT RELEASE
 Demonstration Version---

CONSULTANT SIGNATURE: _____

Date of Signature: 03-20-2025

Draw Request Section 203(k)

U.S. Department of Housing
and Urban Development
Office of Housing

OMB Approval No. 2502-0527 (exp. 8/31/2024)

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This information collection involves an expanded information requirement for lenders that originate and service Section 203(k) mortgages. The purpose of the information is to help mitigate program abuses. The expanded information focuses on the loan origination process and requires increased documentation and strengthened internal control procedures. Periodic reporting of the information is not required. The information also includes information that was voluntarily accepted by the 203(k) lending community. The information provides a more comprehensive basis for evaluating lender underwriting practices and thereby improves risk management of the 203(k) loan portfolio. Responses are required to obtain benefits under Section 203(k) of the National Housing Act (12 U.S.C. 1703). No assurance of confidentiality is provided.

| | | | | | |
|---|--|---|-----------------|------------------------------------|------|
| Borrower's Name & Property Address Ross Main street, Main, New York 10977 | | Lender's Name & Address Test Lender | FHA Case Number | This Draw Number INITIAL | Date |
|---|--|---|-----------------|------------------------------------|------|

I certify that I have carefully inspected this property for compliance with the general acceptability requirements (including health and safety) in Handbook 4905.1. I have reviewed the attached architectural exhibits and the estimated rehabilitation costs listed in column 1, below; they are acceptable for the rehabilitation of this property. I have no personal interest, present or prospective, in the property, applicant, or proceeds of the mortgage. To the best of my knowledge, I have reported all items requiring correction and that the rehabilitation proposal now meets all HUD requirements for 203(k) Rehabilitation Mortgage Insurance.

| | |
|---|--|
| HUD-Accepted Consultant / Plan Reviewer's Signature & Date X Ross Heaton 03-20-2025 | Suggested Contingency Reserve Amount \$ 18560.00 20 % |
|---|--|

| Construction Item | Total Escrow Col. 1 | Total Cost of Rehabilitation | | | | Inspector/Lender Adjusted Amounts | |
|-----------------------|------------------------|--------------------------------|---|---------------------------------|---|-----------------------------------|-----|
| | | Previous Draw Totals Col. 2 | % | Request for This Draw Col. 3 | % | Col. 4 | % |
| 1. Masonry | \$ 0.00 | | | | | | 1. |
| 2. Siding | \$ 22000.00 | | | | | | 2. |
| 3. Gutters/Downspouts | \$ 0.00 | | | | | | 3. |
| 4. Roof | \$ 22000.00 | | | | | | 4. |
| 5. Shutters | \$ 0.00 | | | | | | 5. |
| 6. Exteriors | \$ 0.00 | | | | | | 6. |
| 7. Walks | \$ 0.00 | | | | | | 7. |
| 8. Driveways | \$ 0.00 | | | | | | 8. |
| 9. Painting (Ext.) | \$ 0.00 | | | | | | 9. |
| 10. Caulking | \$ 0.00 | | | | | | 10. |
| 11. Fencing | \$ 0.00 | | | | | | 11. |
| 12. Grading | \$ 0.00 | | | | | | 12. |
| 13. Windows | \$ 13800.00 | | | | | | 13. |
| 14. Weatherstrip | \$ 0.00 | | | | | | 14. |
| 15. Doors (Ext.) | \$ 0.00 | | | | | | 15. |
| 16. Doors (Int.) | \$ 0.00 | | | | | | 16. |
| 17. Partition Wall | \$ 0.00 | | | | | | 17. |
| 18. Plaster/Drywall | \$ 0.00 | | | | | | 18. |
| 19. Decorating | \$ 0.00 | | | | | | 19. |
| 20. Wood Trim | \$ 0.00 | | | | | | 20. |
| 21. Stairs | \$ 0.00 | | | | | | 21. |
| 22. Closets | \$ 0.00 | | | | | | 22. |
| 23. Wood Floors | \$ 18000.00 | | | | | | 23. |
| 24. Finished Floors | \$ 0.00 | | | | | | 24. |
| 25. Ceramic Tile | \$ 0.00 | | | | | | 25. |
| 26. Bath Accesories | \$ 0.00 | | | | | | 26. |
| 27. Plumbing | \$ 0.00 | | | | | | 27. |
| 28. Electrical | \$ 0.00 | | | | | | 28. |
| 29. Heating | \$ 10000.00 | | | | | | 29. |
| 30. Insulation | \$ 7000.00 | | | | | | 30. |
| 31. Cabinetry | \$ 0.00 | | | | | | 31. |
| 32. Appliances | \$ 0.00 | | | | | | 32. |
| 33. Basements | \$ 0.00 | | | | | | 33. |
| 34. Cleanup | \$ 0.00 | | | | | | 34. |
| 35. Miscellaneous | \$ 0.00 | | | | | | 35. |
| 36. Totals | \$ 92800.00 | | | | | | 36. |

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

This draw request is submitted for payment. All completed work has been done in a workmanlike manner. I hereby certify to the actual costs of rehabilitation as shown above in column 3. I understand that I cannot obtain additional monies from the rehabilitation escrow account without the approval of the lender. I also understand that a 10% holdback will not be released until all work is complete and it is determined that no mechanic's and materialmen's liens have been placed on the property. After the final inspection, the monies in the escrow account will be distributed as required by the 203(k) program procedures.

Borrower's Signature Owner-Occupant Investor/Builder Date

This draw request is submitted for payment. All completed work has been done in a workmanlike manner. I understand that a 10% holdback will not be released until all work is completed and it is determined that no mechanic's and materialmen's liens have been placed on the property.

General Contractor's Signature (if any) Date

I certify that I have carefully inspected this property on this date. The draw amount is acceptable except as modified in column 4. I further certify that I have not accepted any work that is not yet completed in a workmanlike manner and I recommend that the rehabilitation escrow funds be released for the completed work.

Inspector's Signature **ID Number** X041 **Date** 03-10-2015

| Approved for Release | This Draw | Totals to Date | The Lender is hereby authorized to release the following funds from the escrow account | |
|-------------------------|-----------|----------------|---|------------------------------------|
| Total from Above | \$ | \$ | Payable to the Borrower \$ | Payable to the Fee Inspector \$ |
| Less 10% Holdback | \$ | \$ | Payable to | \$ |
| Net Amount Due Borrower | \$ | \$ | Signature & Date <input type="checkbox"/> Lender-Authorized Agent <input type="checkbox"/> DE Underwriter <input checked="" type="checkbox"/> | |

Lender Holding Rehabilitation Escrow Account (name, address, & phone number)

Originating Lender still Retains Funds

Rehab Funds Transferred to:

Rehabilitation Inspection Report

FHA Case Number

I. Inspection of On-Site Repairs and/or Improvements Reveals

- Unable to make inspection. (explain below)
- Correction essential as explained below:
 - Will examine at next inspection.
 - Do not conceal until reinspected.
- No noncompliance observed.
- Acceptable variations as described below.
- On-site improvements acceptably completed.

II. Explanation of statements checked above

- Draw Inspection Contingency Reserve Inspection Final Inspection Change Order Other (explain)

Inspection Number

| No. | | No. | |
|-----|--|-----|--|
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

Certification: I certify that I have carefully inspected this property on this date. I have no personal interest, present or prospective, in the property, applicant, or proceeds of the mortgage. To the best of my knowledge I have reported all noncompliance, work requiring correction, and unacceptable work. I also certify that this Draw Request is for completed work and I have not accepted any work that is not properly installed in a workmanlike manner.

Signature & Date Consultant / Inspector Fee Inspector DE Staff Inspector

Inspection Fee ID Number

Instructions: Prior To Appraisal

1. The Consultant or Plan Reviewer meets with the borrower (and contractor, if there is one) at the site to determine if cost estimates are acceptable. The cost of labor and materials (including overhead and profit, where necessary) must be shown. Borrowers doing their own work must include labor and material, in case they are unable to complete the work due to some unforeseen circumstance, and they must later subcontract out the work. Upon completion of the review, and if the cost estimates are acceptable, the Consultant or Plan Reviewer must sign the certification and return all exhibits to the lender.

2. Lender send exhibits and a copy of the Draw Request form to the appraiser. The appraisal cannot be performed unless the Consultant or Plan Reviewer has signed the certification on the Draw Request form. Appraisers are instructed not to add additional work items to the list of construction items without the Consultant or Plan Reviewer assuring that the cost estimate for additional items are acceptable and included on the Draw Request form.

Instructions: During Construction:

1. If any construction work items were completed prior to closing the loan, an inspection of the work can occur one day after closing.

2. Borrower/contractor completes column 2 "Previous Draw Totals" with percent of completion on any of the construction items. On the first draw inspection, this column will be left blank. On subsequent draws, show the accepted amounts shown in columns 3 and 4 (from the previous draw).

3. Borrower/contractor completes column 3 "Request for This Draw" with the **actual cost of rehabilitation**, which includes materials, labor, overhead and profit. Materials cannot be paid for until they have been acceptably installed. For the investor/builder using the Escrow Commitment Procedure, the cost savings will be added to the escrow amount that is held by the lender for release when an acceptable owner-occupant assumes the loan.

The inspector will complete column 4 for each line item that is necessary to be adjusted. If no adjustments are required, column 4 will remain blank. In no case can the inspector approve a release of funds in excess of the amount requested by the borrower in column 3.

The DE Underwriter or the lender's authorized agent may reduce the amount of funds accepted (or revised) by the inspector by completing (or correcting) the amount shown in column 4. Where a correction has been made by the inspector or the lender, the revised total amount will be shown in line 36, column 4. When the DE Underwriter or the lender's authorized agent is satisfied with the Draw Request, the bottom of the form approving the release of funds will be completed.

After the final draw inspection, cost savings can be adjusted to pay for cost overruns in other construction items or additional improvements to the property that are approved by the Direct Endorsement (DE) Lender. An additional administration cost can be allowed under certain circumstances. Any remaining cost savings must be applied to the mortgage principal and will create greater equity in the property.

Example 1: If column 1 for Drywall is estimated for completion at \$1,500 and the work is 50% complete, but a signed contract is for \$1,200, then the Request for This Draw in column 3 cannot exceed \$600.

Example 2: If column 1 for Drywall is estimated for completion at \$1,500 and the work is 50% complete, but a signed contract is for \$1,800, then the Request for This Draw in column 3 cannot exceed \$750. At the end of rehabilitation, cost overruns can be adjusted for, provided there were savings in other construction items that were approved prior to closing.

4. The borrower and contractor must sign the certification on the Draw Request form. If a dispute exists, the lender must try to mediate the dispute to assure there are no mechanics or materialmens liens placed on the property. The lender may make checks out in both the borrower and contractors name to ensure proper distribution of escrowed funds and to assure no mechanics or materialmens liens. The borrower or contractor may initiate legal proceedings if an equitable agreement cannot be reached.

5. Under no circumstances can any construction item be paid for without the work being acceptably installed (e.g., materials on site cannot be included in the draw request). Upon completion, the inspector signs the Draw Request form, and the Rehabilitation Inspection Report and returns this form to the DE Lender, if applicable. The cost of the inspection should also be completed.

6. The DE who controls the Rehabilitation Escrow Account must provide an accounting of the escrow account to the borrower and HUD, showing the status of all monies in the escrow account. After the acceptable receipt of all necessary documentation, the escrow release (less 10% holdback) should occur within 48 hours. The accounting system must comply with Handbook 4240.4.

Identity of Interest Certification Letter

Demonstration Version---

Property Address: Main street, Main New York 10977

Borrower's Name: Ross

FHA Loan No:

Lender Name: Test Lender

"I hereby certify that I have carefully inspected this property for compliance with the general acceptability requirements (including health and safety) in Handbook 4905.1. I have required as necessary and reviewed the architectural exhibits, including any applicable engineering and termite reports, and the estimated rehabilitation cost and they are acceptable for the rehabilitation of the property. I have no personal interest, present or prospective, in this property, applicant or proceeds of the mortgage. I also certify that I have no identity-of-interest or conflict-of interest with the borrower, seller, lender, realtor, appraiser, plan reviewer, contractor or subcontractor. To the best of my knowledge, I have reported all items requiring correction and that the rehabilitation proposal now meets all HUD requirements for Rehabilitation Mortgage Insurance."

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties.

(18 U.S.C. 1001, 1010, 1012; 31 U.S.C 3729, 3802).

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NOT FOR CLIENT RELEASE
Demonstration Version---

Consultants Signature: _____

Date: 03-20-2025

Consultants Name(Printed) : Ross Heaton

Consultant ID#: X0412

203 (k) Borrower's Acknowledgement

U.S. Department of Housing and Urban Development
Office of Housing
Federal Housing Commissioner

Condition of Property: I understand that the property I am purchasing is not HUD approved and HUD does not warrant the condition or the value of the property. I understand the HUD plan review (where performed) and the appraisal are performed to determine compliance with the required architectural

exhibits and to estimate the value of the property, but neither guarantees the house is free of defects. I understand I was responsible to have an independent consultant and/or a professional home inspection service perform an inspection of the property and the cost of the inspection was (or could be) included in the mortgage.

Loan Requirements

• I understand at the time of the loan closing of an FHA-insured 203(k) Rehabilitation Loan, for which I have applied to my lender, the proceeds designated for the rehabilitation or improvement (including a contingency reserve, mortgage payments and any other fees, where applicable) are to be placed in an interest bearing escrow account. The Rehabilitation Escrow Account is not, nor will it be treated as an escrow for the paying of real estate taxes, insurance premiums, delinquent notes, ground rents or assessments. I hereby request the lender, after the Final Release Notice is issued, to:

- Pay the net interest income directly to me/us.
- Apply the net interest income directly to the mortgage principal balance for an equal amount of principal reduction.
- Other: _____

- I understand that the Rehabilitation Escrow Account will cease paying interest to me if (1) the loan payments are delinquent for more than 30 days; or (2) the completion date (or an approved extension) has expired. During this period, the interest will be paid down on the mortgage principal. I understand if I clear up the delinquent or default status and/or the completion date has not expired or an extension has been approved, then the interest on the escrow account will begin again to be paid according to the request above.
- I understand no draws on the escrow account can be made until all permits have been issued by the local or state building departments, where required. I further understand I can only request monies for the actual cost of rehabilitation. If any cost savings result on any line item of the Draw Request, form HUD-9746-A, the amount saved must be used to: (1) Make further improvements to the property; (2) Pay for cost overruns in other line items of the Draw Request; or (3) Prepay the mortgage principal.
- I understand the contractor(s) is responsible to complete the work described in the architectural exhibits in a workmanlike manner. If I agree the work has been properly completed, I will sign the Draw Request, form HUD-9746-A, thereby accepting the responsibility that the completed work is acceptable and payment is justified. I understand there is a 10 percent holdback on each Draw Request to assure the work is properly completed and for lien protection.
- I understand I am responsible to negotiate any and all agreements with the contractor(s) I select and that HUD suggests that the Agreement with the contractor should include a provision for binding arbitration with the American Arbitration Association on any dispute.
- I understand if I am using the Escrow Commitment Procedure, I must sign form HUD-314. The funds deposited in an escrow, trust or special account will not be released until an assumption of the loan occurs by a creditworthy buyer or until the time allowed for such assumption has expired, thereby requiring the funds to be paid down on the mortgage principal.

- I understand if I change a contractor for any reason, I may be obligated under the terms of the original contractor's agreement and I should seek legal advice before taking such action. If I disagree with the contractor regarding the acceptable completion of the work, I can request an inspection by the fee inspector to determine if the work has been properly completed. If an agreement cannot be made with the contractor, the lender may hold the money until such time as an agreement is reached or an arbitrator's decision is rendered.
- I understand the lender or HUD does not provide a one-year warranty on the completed work on the property. I am responsible to obtain such warranty(s) from the contractor(s) and the warranty should be stated in the Homeowner-Contractor Agreement.
- I understand I am responsible to make the mortgage payments during the term of the loan, including the rehabilitation period, to ensure the property will not go into default. The construction on the home must start within 30 days; if the construction ceases for more than 30 days, the lender may consider the loan in default or the lender can use the escrow money to have the work completed. If the work stops or is not progressing as it should, or if the work does not comply with the accepted architectural exhibits, the lender may require additional compliance inspections to protect the security of the loan and I will be responsible to pay for the inspections and the cost of the inspection may be withheld at the next draw request.
- I understand no changes to the architectural exhibits can be made without the acceptance of the lender (or HUD) on form HUD-92577. The contingency fund is set up for changes that affect the health, safety, or items of necessity of the occupants of the property. If the contingency reserve is insufficient, I must place additional monies into the account for payment upon acceptance of the change. Additional improvements can be made after it is determined no further health and safety items exist. A change order will be made to assure the monies are available to the contractor upon completion of the changed work.
- I understand if there are unused contingency funds, mortgage payments, inspection fees or other monies in the Rehabilitation Escrow Account after the Final Release is processed, the lender, in compliance with HUD regulations, **must** apply those funds to prepay the mortgage principal, provided those items are a part of the mortgage.
- I understand the lender may retain the 10 percent holdback, for a period not to exceed 35 days (or the time period required by law to file a lien, whichever is longer), to ensure compliance with state lien waiver laws or other state requirements. Upon completion of the work, I understand I will be provided: (1) The Final Draw Request; (2) The Final Release Notice; and (3) An accounting of the final distribution of all funds.

This statement must be delivered to you prior to closing the loan. Return one copy to your lender as proof you have read the entire document. Keep one copy for your records. You, the borrower(s), must be certain that you understand this information. Sign here only after you have read this entire document. Seek professional advice if you are uncertain.

Borrower's Signature & Date:

X

Co-Borrower's Signature & Date:

X

I, the lender, certify this information was delivered to the borrower(s) prior to the time of loan closing.

Lender's Signature & Date:

X

Request for Taxpayer Identification Number and Certification

**Give Form to the
requester. Do not
send to the IRS.**

▶ Go to www.irs.gov/FormW9 for instructions and the latest information.

Print or type.
See Specific Instructions on page 3.

| | | |
|--|---|--|
| | 1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank. | |
| | 2 Business name/disregarded entity name, if different from above | |
| | 3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes. <input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____ Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner. <input type="checkbox"/> Other (see instructions) ▶ _____ | 4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <small>(Applies to accounts maintained outside the U.S.)</small> |
| | 5 Address (number, street, and apt. or suite no.) See instructions. | Requester's name and address (optional) |
| | 6 City, state, and ZIP code | |
| | 7 List account number(s) here (optional) | |

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

| | | | | | | | | | |
|---------------------------------------|--|--|--|--|--|--|--|--|--|
| Social security number | | | | | | | | | |
| | | | | | | | | | |
| or | | | | | | | | | |
| Employer identification number | | | | | | | | | |
| | | | | | | | | | |

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

| | | |
|------------------|----------------------------|--------|
| Sign Here | Signature of U.S. person ▶ | Date ▶ |
|------------------|----------------------------|--------|

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting*, later, for further information.

Note: If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States.

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items.

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 24% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the instructions for Part II for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code*, later, and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships*, earlier.

What is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code*, later, and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note: ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or "doing business as" (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C corporation, or S corporation.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulations section 301.7701-2(c)(2)(iii). Enter the owner's name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2, "Business name/disregarded entity name." If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

Line 3

Check the appropriate box on line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3.

| IF the entity/person on line 1 is a(n) . . . | THEN check the box for . . . |
|--|---|
| • Corporation | Corporation |
| • Individual • Sole proprietorship, or • Single-member limited liability company (LLC) owned by an individual and disregarded for U.S. federal tax purposes. | Individual/sole proprietor or single-member LLC |
| • LLC treated as a partnership for U.S. federal tax purposes, • LLC that has filed Form 8832 or 2553 to be taxed as a corporation, or • LLC that is disregarded as an entity separate from its owner but the owner is another LLC that is not disregarded for U.S. federal tax purposes. | Limited liability company and enter the appropriate tax classification. (P= Partnership; C= C corporation; or S= S corporation) |
| • Partnership | Partnership |
| • Trust/estate | Trust/estate |

Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

- 1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)
- 2—The United States or any of its agencies or instrumentalities
- 3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities
- 4—A foreign government or any of its political subdivisions, agencies, or instrumentalities
- 5—A corporation
- 6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession
- 7—A futures commission merchant registered with the Commodity Futures Trading Commission
- 8—A real estate investment trust
- 9—An entity registered at all times during the tax year under the Investment Company Act of 1940
- 10—A common trust fund operated by a bank under section 584(a)
- 11—A financial institution
- 12—A middleman known in the investment community as a nominee or custodian
- 13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

| IF the payment is for . . . | THEN the payment is exempt for . . . |
|--|---|
| Interest and dividend payments | All exempt payees except for 7 |
| Broker transactions | Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012. |
| Barter exchange transactions and patronage dividends | Exempt payees 1 through 4 |
| Payments over \$600 required to be reported and direct sales over \$5,000 ¹ | Generally, exempt payees 1 through 5 ² |
| Payments made in settlement of payment card or third party network transactions | Exempt payees 1 through 4 |

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

Note: You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, write NEW at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

Line 6

Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note: See *What Name and Number To Give the Requester*, later, for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at www.SSA.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/Businesses and clicking on Employer Identification Number (EIN) under Starting a Business. Go to www.irs.gov/Forms to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to www.irs.gov/OrderForms to place an order and have Form W-7 and/or SS-4 mailed to you within 10 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code*, earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.

You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.

You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), ABL accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

| For this type of account: | Give name and SSN of: |
|--|---|
| 1. Individual | The individual |
| 2. Two or more individuals (joint account) other than an account maintained by an FFI | The actual owner of the account or, if combined funds, the first individual on the account ¹ |
| 3. Two or more U.S. persons (joint account maintained by an FFI) | Each holder of the account |
| 4. Custodial account of a minor (Uniform Gift to Minors Act) | The minor ² |
| 5. a. The usual revocable savings trust (grantor is also trustee) | The grantor-trustee ¹ |
| b. So-called trust account that is not a legal or valid trust under state law | The actual owner ¹ |
| 6. Sole proprietorship or disregarded entity owned by an individual | The owner ³ |
| 7. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A)) | The grantor* |
| For this type of account: | Give name and EIN of: |
| 8. Disregarded entity not owned by an individual | The owner |
| 9. A valid trust, estate, or pension trust | Legal entity ⁴ |
| 10. Corporation or LLC electing corporate status on Form 8832 or Form 2553 | The corporation |
| 11. Association, club, religious, charitable, educational, or other tax-exempt organization | The organization |
| 12. Partnership or multi-member LLC | The partnership |
| 13. A broker or registered nominee | The broker or nominee |

| For this type of account: | Give name and EIN of: |
|---|-----------------------|
| 14. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments | The public entity |
| 15. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B)) | The trust |

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships*, earlier.

*Note: The grantor also must provide a Form W-9 to trustee of trust.

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records From Identity Theft

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes.

Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at spam@uce.gov or report them at www.ftc.gov/complaint. You can contact the FTC at www.ftc.gov/idtheft or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see www.IdentityTheft.gov and Pub. 5027.

Visit www.irs.gov/IdentityTheft to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

HOMEOWNER/CONTRACTOR AGREEMENT

| | | |
|--|---|---|
| Homeowner (s) ("Homeowner" and/or "Borrower") Ross | FHA Case # | Sum: \$92800.00 |
| Subject Property Street Address Main street, | | |
| Subject Property City Main | Subject Property State New York | Subject Property Zip Code 10977 |
| Telephone Number | Work # | Cell/Mobile |
| General/Primary/Sub Contractor (Contractor) Test Contactor/Test Contractor | | License Number |
| Address Test Contractor | | |
| City Test | State New York | Zip Code 10977 |
| Telephone Number | Work # 845 570-0412 | Cell/Mobile 845 570-0412 |

IT IS MUTUALLY UNDERSTOOD AND AGREED AS FOLLOWS:

THIS AGREEMENT ("Agreement") made this date by and between Homeowner/Borrower and Contractor is for the rehabilitation of the Subject Property listed above (herein after referred to as "Property") that has applied for an FHA mortgage under Section 203(k) of the National Housing Act by FHA approved Lender ("Lender") . The Homeowner/Borrower agrees to pay the Contractor the Sum indicated above, which includes all sales tax due by law, for completion of all work and the supply of all materials included in this Agreement ("Work"), together with such increase or decreases in the contract price and scope of Work as may be approved in writing by the Lender("Change Order"), and in accordance with all terms and conditions of this Agreement. Contractor agrees to perform and complete the Work and that the Work shall begin on TBD, or as soon as practical, but in no event later than seven (7) days from the loan closing; and will be completed by TBD, but in no event later than one hundred eighty (180) days from the loan closing. The Agreement documents consist of the materials as described below, and include but are not limited to, the Contractor's Estimate, any Drawings and any additional Documents, all attached as Schedule "A": General Provisions

1. AGREEMENT DOCUMENTS:

Work not covered by this Agreement will not be required unless it is required by reasonable inference as being necessary to produce the intended result. Notwithstanding the foregoing and for the sake of clarity, given Contractor's greater knowledge and skill by comparison to Borrower, if a reasonable person would understand material or work to be included or contemplated within the scope of the Work that is specifically included herein, although not specifically set forth, it shall be deemed included and Contractor accepts responsibility for all such items and apprising Borrower of same. By executing this Agreement, Contractor represents that he/she has visited the Property and understands local conditions, including state and local building regulations and conditions under which the Work is to be performed. If Borrower and Lender do not close on the loan contemplated herein, this Agreement shall be null and void and of no force or effect.

2. BORROWER:

Unless otherwise provided for in this Agreement, the Borrower shall secure and pay for necessary easements, exceptions from zoning requirements, or other actions which must precede the approval of a permit for this project. If Borrower fails to do so, then this Agreement is void and of no effect. If the Contractor fails to correct defective work or persistently fail to carry out the Work in accordance with this Agreement, the Borrower may order the Contractor in writing to stop such Work, or a part of the Work until the cause for the order has been eliminated

3. CONTRACTOR:

The Contractor shall perform and supervise and direct all aspects of the Work, including but not limited to the Work performed by any subcontractors. He/she shall use the best skill and attention and shall be solely responsible for all construction methods and materials and for coordinating all portions of the Work. Unless otherwise specified in this Agreement, the Contractor will provide for and/or pay for all labor, materials, equipment, tools, machinery, transportation, and other goods, facilities, and services necessary for the proper execution and completion of the Work, subject only to the payments to be made to the Contractor as provided for herein. The Contractor shall maintain order and discipline among employees and subcontractors and shall not assign anyone unfit for the task. The Contractor warrants to the Borrower that all materials and equipment incorporated are new and that all Work shall be of good quality and free of defects or faults. The Contractor shall pay all sales and all other taxes related to the Work and shall secure and pay for building permits, fees, inspections and licenses necessary for the completion of the Work unless otherwise specified in this Agreement. The Contractor shall indemnify and hold harmless the Borrower and Lender from and against all claims, damages, losses, expenses, legal fees or other costs arising or resulting from the Contractor's performance of the Work or provisions under this Agreement. The Contractor is responsible for, and indemnifies the Borrower and Lender against, acts and omissions of employees, subcontractors and their employees, or others performing the Work under this Agreement with the Contractor. The Contractor shall comply with all rules, regulations, laws, ordinances and orders of any public authority or HUD inspector bearing on the performance of the Work. The Contractor shall provide shop drawings, samples, product data or other information provided for in the Agreement, when necessary or reasonable to do so.

4. SUBCONTRACTOR:

Any and all necessary or desired subcontractors needed to adequately perform under this Agreement shall be selected and contracted by the Contractor, except that the Contractor shall not employ any subcontractor to whom the Borrower or Lender may have a reasonable objection, nor will the Contractor be required by the Borrower to employ any subcontractor to whom the Contractor has a reasonable objection. All subcontractors shall be duly licensed and bonded to perform that portion of the Work required of them.

5. WORK BY OWNER OR OTHER CONTRACTOR:

The Borrower reserves the right to perform work related to his home, but which is not a part of this Agreement, and to award separate contracts in connection with other portions of another project not detailed in this Agreement. All contractors and subcontractors will be afforded reasonable opportunity for the storage of materials and equipment by the Borrower and by each other. Any costs arising by defective or ill-timed work or storage will be borne by the responsible party.

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Demonstration Version---

6. BINDING ARBITRATION:

Claims or disputes relating to this Agreement shall be resolved by the Construction Industry Arbitration Rules of the American Arbitration Association (AAA) unless both parties mutually agree to other methods. The notice of the demand for arbitration must be served on and filed in writing with the other party to this Agreement and with the AAA and must be made in a reasonable time after the dispute has arisen. The award rendered by the arbitrator(s) will be considered final and judgment may be entered upon it in accordance with applicable law in any Court having jurisdiction thereof.

7. CLEANUP AND TRASH REMOVAL:

The Contractor shall keep the owner's residence free from waste or rubbish resulting from the Work. All waste, rubbish, tools, construction materials, and machinery will be removed promptly after completion of the Work by the Contractor.

8. TIME:

With respect to the scheduled completion of the Work, **TIME IS OF THE ESSENCE**. If the Contractor is delayed at anytime in the progress of the Work by approved Change Orders, as defined hereinafter, fire, labor disputes, acts of God, or other causes beyond the Contractor's control, the completion schedule for the Work or affected parts of the Work may be extended by the same amount of time caused by the delay with an approved Change Order. The Contractor must begin Work as soon as practical but in no event later than thirty (30) days after loan closing and will not cease Work for more than thirty (30) consecutive days. All Work must be completed by _____, but in no event later than within One Hundred and Eighty (180) days from the closing of the loan.

9. TIME TO COMPLETE:

A final Compliance Inspection Report from the approved Appraiser stating all Work has been satisfactorily completed, Contractor's Lien Release and the Borrower's Letter of Completion must be received by the Lender

within two weeks of completion or One Hundred and Eighty (180) days of the date of the note, whichever is earlier. If, for whatever reason, the final inspection verifying that all Work is completed is not received within One Hundred and Eighty (180) days of the date of the note, the Lender has the right to make a principal reduction payment with the funds being held in escrow. If the funds held in escrow are used to make a principal reduction, the final payment to the Contractor will not be available from the Lender unless the Lender has agreed in writing through an approved Change Order to extend such time.

10. PAYMENTS AND COMPLETION: Funds for the renovation are released per the executed draw agreement All requests for funds should be submitted to the FHA 203k Consultant assigned to the specific job. The Lenders construction administrator will be identified to the borrower shortly after closing. This information will also be released to the consultant. Contractor can obtain this information from either of these parties.

11. WITHHOLDING OF FUNDS:

Payments may be withheld because of: (1) defective Work not remedied; (2) failure of Contractor to make proper payments to subcontractors, workers, or suppliers; (3) persistent failure to carry out Work in accordance with this Agreement or these general conditions, or (4) legal claims. Final payment will be due only upon release of any and all liens arising out of the Agreement or submission of receipts or other evidence of payment covering all subcontractors or suppliers who could file such a lien. The Contractor agrees to indemnify the Borrower and Lender against such liens and will refund all monies including costs and reasonable attorney's fees paid by the Borrower and/or Lender in discharging the liens. A ten (10) percent "Holdback" reserve is required by the Lender to assure the Work has been properly completed and there are no liens on the Property or more as the FHA Consultant deems necessary.

12. PROTECTION OF PROPERTY AND PERSONS:

The Contractor is responsible for initiating, maintaining, and supervising all necessary or required safety programs. The Contractor must comply with all applicable law, regulations, ordinances, or laws of federal, state, county or local governments. The Contractor will indemnify the owner for all property loss or damage to the Borrower caused by his/her employees or his/her direct or indirect subcontractors.

13. INSURANCE:

The Contractor shall purchase and maintain insurance necessary to protect the Contractor and Borrower from claims under negligence, workers compensation and from any damage to the Borrower's property resulting from the conduct of this Agreement, and name Borrower as an additional named insured.

14. CHANGES IN THE AGREEMENT:

The Borrower may order changes, additions or modifications (using form HUD-92577) without invalidating the Agreement. Such changes must be in writing and signed by the Borrower and accepted by the Lender. Not all Change Order requests may be accepted by the Lender; therefore, the Contractor proceeds at his/her own risk if Work is completed and/or proceeded on without a Change Order accepted in writing by Lender.

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15. CORRECTION OF DEFICIENCIES:

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The Contractor must promptly correct any Work of his/her own or his/her subcontractors found to be defective or not complying with the terms of the Agreement.

16. WARRANTY:

The Contractor shall provide a one-year warranty on all labor and materials provided hereunder. This warranty must extend one year from the date of the completion of the Work or longer if prescribed by law unless otherwise specified by other terms of this Agreement and shall be for one hundred percent (100%) of the cost of replacement or repair for all Work or damages. Disputes will be resolved through the Construction Industry Arbitration Rules of the American Arbitration Association.

17. CONTINGENCY FUNDS:

A Contingency fund is for the sole purpose of unforeseen issues that develop as a result of the proposed scope of work detailed in the lender approved agreements. Therefore, the contingency reserve fund is not to be used for work that is unrelated to the original scope of work approved by the FHA Consultant and the Lender.

18. TERMINATION:

a. If the Borrower fails to make a payment under the terms of this Agreement through no fault of the Contractor, the Contractor may, upon ten (10) working days written notice to the Borrower, and if not satisfied, terminate this Agreement.

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b. If the Contractor fails or neglects to carry out the terms of the Agreement, the Borrower, after ten (10) working days written notice to the Contractor, may terminate this Agreement. The Borrower may then finish the Work by hiring a new Contractor acceptable to the lender. If the cost of completion of the Work exceeds the Agreement balance, the difference, as well as costs and reasonable attorney's fees made necessary to enforce the terms of this Agreement, shall be due and owing to Borrower from Contractor. The Contractor, upon termination of the agreement, releases any claim to the funds remaining in the escrow account and acknowledges that the lender will use any funds remaining in the escrow account to complete the work including paying the Borrower's new Contractor.

Homeowner/Contractor Agreement

Signature Page

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Owner/Borrower Date

Owner/Borrower Date

Owner/Borrower Date

Owner/Borrower Date

Contractor's Company Name

Signature of Contractor Date

Print Name Title