

# HUD 203(k) Work Write-Up

## Consultant's Report

Prepared By

### Early Home Inspection LLC

1121 Chipping Court  
Virginia Beach, VA 23455

(757) 478-1280

Tim, Paul or Brad @EarlyHomeInspection.com



Inspection Date

3/3/2017

**Client's Name:** Jane Doe

**Inspected Address:** 123 main Street  
Anywhere, State 11111

**Client's Phone:** (757) 555-1212

**Client's Email:**  
JDoe123@email.com

**Lender:** Sample Home Mortgage

**Address:** 5555 Any Street  
Any Town, USA 55555

**Phone:** (222) 222-2222

**Loan Officer:**

**Phone:** **Ext:**



Date  
3/3/2017

## Package Content Outline

**Lender:** Sample Home Mortgage

**Loan Officer:**

**Loan Type:** HUD 203(k)

**Applicant's Name(s)**

Jane Doe

**Applicant's Phone**

(757) 555-1212

**Applicant's Address**

123 Main St,  
Anywhere, State USA  
11111

**Work Phone**

**Cell Phone**

**Email**

JDoe123@email.com

**Property Picture**



**Property Address**

123 Main St,  
Anywhere, State USA  
11111

**Other Contact**

**Contact's Phone**

**Loan Number**

## Property Summary Information & Recommendations

**No. of Draws Requested:** 3

**Draw Fees Recommended Per Draw:** \$350.00

**Total Repair Estimate:** \$28,150.00

**Number of Units At Inspection:** 1

**Months To Completion:** 2

**Contingency Reserve:** \$2,815.00 at 10%

**Number Of Units At Completion:** 1

**Number of Dwellings:** 0

**Lot Size:** \_\_\_\_\_

**Type of Construction:** Masonry

**Number of Stories:** 3

**Building Size:** \_\_\_\_\_

**Estimated Age:** 100+

**Underground Oil Tank Certification Needed:** ☐

**Utilities On At Time Of Inspection:** ☐

**Lead Paint Certification Needed:** ☐

**Water Certification Needed:** ☐

**Septic Certification Needed:** ☐

**Septic Municipal Availability Present:** ☐

### Recommendations

"Check Mark Indicates Yes"

**Smoke Detectors Needed:** ☐

**Asbestos Report Needed:** ☐

**Termite - Woodboring Treatment Needed:** ☐

**Radon Gas Test Performed:** ☐

**Seperate Plumbing Certification Recommended:** ☐

**Seperate Electrical Certification Recommended:** ☐

**Seperate Heating Certification Recommended:** ☐

**Seperate Structural Engineers Report Recommended:** ☐

**FHA 203(k) Consultants Agreement:** ☒

**Specification of Repairs:** ☒

**Initial Draw Request:** ☒

**Consultant's Invoice:** ☒

**Narrative:** ☒

**Work Write Up Totals:** ☒

**Owners/Contractors Agreement:** ☒

**Identity Of Interests:** ☒

**Certification Letter:** ☒

### This Package Contains

**Minimum Property Standards:** ☐

**Borrowers Acknowledgement:** ☐

**Private Well Report:** ☐

**Radon Test Report:** ☐

**Floor Layout Diagram:** ☐

**Permit Certification Form;** ☐

**Self Help Agreement:** ☐

**Private Septic Report:** ☐

**Seperate Heating Certification:** ☐

**Seperate Plumbing Certification:** ☐

**Seperate Electrical Certification:** ☐

**Underground Oil Tank Certification:** ☐

**Seperate Structural Engineer Report:** ☐

**Lead Paint Recommend Form:** ☐

**Woodboring-Termite Report:** ☐

**Property Address**

123 Main St,  
Anywhere, State USA  
11111

Consultant's File Number: 01 Sample Report

Inspection Date: 3/3/2017

Inspector: Tim Early P-1882

**Applicant's Information**

Jane Doe

**Address:**

123 Main St, Anywhere, State USA 11111

Home Phone: (757) Cellular:

555-1212 Office Phone:

Email: JDoe123@email.com

Other Contact Name:

Other Phone:

**Picture****Details****Number of Units**

At Start: 1 At Completion: 1

Months To Completion: 2

Habitation / Occupancy: Occupied

☒ Owner Occupied ☐ Investor/Builder

**Lender Information**

Lending Institution: Sample Home Mortgage

Lender Loan #:

Origination Date:

Loan Type: HUD 203(k)

Loan Originator:

Phone: Ext:

**HUD Information**

FHA Case No.:

HUD Date Assigned:

Contingency Reserve %: 10% Number of Draws: 3

**Contractors On Project**

**Property Address**

123 Main St,  
Anywhere, State USA  
11111

Consultant's File Number: 01 Sample Report

Inspection Date: 3/3/2017

Inspector: Tim Early P-1882

## Initial Inspection Information

Inspection Weather Conditions \_\_\_\_\_

### Building Physical Information

Lot Size _____	Number of Dwellings <u>0</u>	Type of Construction <u>Masonry</u>
Building Size _____	Number of Stories <u>3</u>	Estimated Age <u>100+</u>

### Commercial Units

Number of Commercial Units <u>0</u>
Commercial Units Ratio _____

### Smoke Detectors

Smoke Detectors at Inspection <input type="checkbox"/>
Type Required _____

### Utilities At Inspection

# Electric Services <u>1</u>	On <input checked="" type="checkbox"/>
# of Gas Services <u>0</u>	On <input type="checkbox"/>
Water _____	Private _____
Type Of Sewer _____	Public _____

## Recommendations

"Check Mark Indicates Yes"

Underground Oil Tank Certification Needed: ☐

Utilities On At Time Of Inspection: ☐

Lead Paint Certification Needed: ☐

Water Certification Needed: ☐

Septic Certification Needed: ☐

Septic Municipal Availability Present: ☐

Smoke Detectors Needed: ☐

Termite - Woodboring Treatment Needed: ☐

Radon Gas Test Performed: ☐

Seperate Plumbing Certification Recommended: ☐

Seperate Electrical Certification Recommended: ☐

Seperate Heating Certification Recommended: ☐

Seperate Structural Engineers Report Recommended: ☐

Asbestos Report Needed: ☐

Note: The 203k Feasibility Inspection is performed to identify those items that are obviously required for a property to comply with HUD's Minimum Property Standards as defined in HUD Handbook 4905.1. Unless otherwise indicated by the consultant, this inspection is NOT PERFORMED ACCORDING TO THE STANDARDS OF PRACTICE OF A HOME INSPECTION NOR SHOULD IT BE VIEWED AS ANY FORM OF CERTIFICATION BY A LICENSED PROFESSIONAL. THESE ADDITIONAL SERVICES MAY BE BENEFICIAL FOR THE BORROWER. The borrower may wish to consider the above recommended inspections to further protect their interests beyond scope of the inspection. It is suggested the borrower discuss the option of obtaining these additional services with their 203k consultant.

Tim Earlyl

# Property Contractor List

Contractor	Address	Phone	Work Preformed



# Consultant's Summary

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## Property Summary

Jane Doe  
123 Main St, Anywhere,  
State USA 11111  
(757) 555-1212

## Consultant's Summary

## Additional Testing Services, Certifications or Cost Items that may be necessary

**X**

Consultant's Signature

ID No.: P1882

Date: 3/3/2017



## Specification Of Repairs

Inspection Date: 3/3/2017

Occupied During Construction: Occupied

Months To Completion: 2

<b>Borrower:</b> Jane Doe
<b>Property Address:</b>
<b>Phone:</b>
<b>Contact Name:</b>
<b>Contact Phone:</b>
<b>Applicant's Phone:</b>
<b>Applicant's Cell Phone:</b>

<b>FHA Case #:</b>
<b>Loan Type:</b> HUD 203(k)
<b>Loan No.:</b>
<b>Lender:</b> Sample Home Mortgage
<b>Lender's Address:</b> 5555 Any Street Any Town, USA 55555
<b>Loan Originator:</b>
<b>Loan Originator Phone:</b>

**Sample Home Mortgage**

**FHA Case #**

**Consultant's File No.**

**Dated**

**5555 Any Street  
Any Town, USA 55555**

01 Sample Report

### STEP-BY-STEP PROCEDURE

1. HUD accepted consultant who prepares this work write-up (or an architect, engineer or home inspection service) needs to inspect the property to assure: (1) That there are no rodents, termites and other infestations: (2) that there are no defects that will affect the health and safety of the occupants: (3) the adequacy of the existing structural, heating, plumbing electrical and roofing system: and (4) the upgrading of thermal protection (where necessary). The inspection report will be attached to the document.
2. Complete each item below as necessary by either filling out the information on the work to be performed with a brief explanation, or entering "NONE" in the "SUB-TOTAL" Portion if no work is being performed in that particular subsection to the document.
3. The proposed work, and the materials used, should be explained in detail to assure a complete understanding on the required work by the contractor and the HUD authorized fee inspector. For major items (ie. kitchen cabinets, appliances, heating air conditioning etc.), the description or the item should enclose the make and model number (manufacturer's) brochure can be attached).
4. Attach a copy of any proposals from all contractors and/or subcontractors.
5. Provide other drawings as necessary to assure a complete understanding of the required work by the contractor and the HUD authorized fee inspector. The following architectural exhibits are required:
  - a) A Plot Plan of the Site is required only if a new addition is being made to the existing structure. Show the location elevations at the property corners and building structure(s), walks, drives, streets, and other relevant detail. Include finished grade corners to assure proper drainage of water off the site. Show the required flood elevation.
  - b) Proposed Interior Plan of the Dwelling. Show where structural or planning changes are contemplated; include any dwelling.
  - c) Provide kitchen cabinet elevations, deck drawings and other exhibits as necessary to properly describe the required Architectural exhibits for a new addition are the same as for a newly constructed home.
6. Cost estimates must include labor and materials sufficient to complete the work by a contractor.
7. A homebuyer who would like to do any of the work must submit a letter to the lender stating his/her qualifications to perform the work in timely and workmanlike manner. If approved by the lender, the homebuyer cannot eliminate the cost estimate for labor because if the homebuyer cannot complete the work there must be sufficient money in the escrow account to get a subcontractor to do the work.
8. If this is a purchase transaction and not a refinance, then attach a sales contract (the loan should go contingent upon obtaining FHA 203(k) financing).
9. Transfer costs shown on the last page to the Draw Request (HUD 9746-A, VMP-436).
10. Meaning of Abbreviations:

Each = Ea   Linear foot = LF   Square Foot = SF   Lump Sum = LS   Square Yard = SY   \* = Required

M = Mandatory By HUD,   R = Recommended By Consultant/Other,   D = Desired By Homeowner

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Any Town, USA 55555

01 Sample Report

**1. Masonry**

			Qty	Unit	Unit Cost	Total	Tax/Margin		Grand Total
Repair Stone Foundation Wall			1		250.00	<b>250.00</b>	0.0%	0.00	<b>\$250.00</b>

<b>Location</b>	<b>Level</b>	<b>R</b>	<b>Labor</b>	1	Ea	0.00	<b>0.00</b>	<b>Completion Hrs:</b>	<b>0</b>
Exterior Walls			Repair damaged section of stucco at rear steps to basement, at base of wall at front patio						

Sub-Total This Section: **\$250.00**This work will be done by: ☐ Owner ☒ Contractor ☐ SubcontractorCost Estimate Attached: ☐ Permit Required: ☐Summary/Narrative Of Work To Be Done:

Seal and monitor minor stucco cracks at walls

**3. Gutters/Downspouts**

			Qty	Unit	Unit Cost	Total	Tax/Margin		Grand Total
Install new gutters & downspouts			1		1,850.00	<b>1,850.00</b>	0.0%	0.00	<b>\$1,850.00</b>

<b>Location</b>	<b>Level</b>	<b>R</b>	<b>Labor</b>	1	EA	0.00	<b>0.00</b>	<b>Completion Hrs:</b>	
Roof									

Sub-Total This Section: **\$1,850.00**This work will be done by: ☐ Owner ☒ Contractor ☐ SubcontractorCost Estimate Attached: ☐ Permit Required: ☐Summary/Narrative Of Work To Be Done:**4. Roof**

			Qty	Unit	Unit Cost	Total	Tax/Margin		Grand Total
Provide and install new roofing			1		5,600.00	<b>5,600.00</b>	0.0%	0.00	<b>\$5,600.00</b>

<b>Location</b>	<b>Level</b>	<b>R</b>	<b>Labor</b>	1	Ea	0.00	<b>0.00</b>	<b>Completion Hrs:</b>	<b>0</b>
Roof			Cost of roof includes permits						

Sub-Total This Section: **\$5,600.00**This work will be done by: ☐ Owner ☒ Contractor ☐ SubcontractorCost Estimate Attached: ☐ Permit Required: ☒Summary/Narrative Of Work To Be Done:

New construction:  
 Roof trusses placed on 2 foot centers will have 5/8 or thicker sheathing.  
 Roof trusses placed on 16 inch centers will have 1/2 inch or thicker sheathing  
 Oriented strand board or plywood will be used for sheathing.  
 Sheathing will be covered with 15lb. felt with 3 to 6 inch overlaps and felt stapled into place.  
 Dripedge will be applied to entire perimeter of the roof.  
 Self sealing asphalt shingles of owners choice of color will be applied per manufacturers recommendations.



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Any Town, USA 55555

01 Sample Report

### 6. Exteriors

				Qty	Unit	Unit Cost	Total	Tax/Margin		Grand Total	
Exterior steps				Material/LS	1		300.00	300.00	0.0%	0.00	\$300.00
Location		Level	M	Labor	1	Ea	0.00	0.00	Completion Hrs: 0		
Exterior		Repair and add handrail to steps front front porch to yard									
Add handrails at steps				Material/LS	1		350.00	350.00	0.0%	0.00	\$350.00
Location		Level	M	Labor	1	Ea	0.00	0.00	Completion Hrs: 0		
Basement		Add handrail and guardrail around basement stairwell enclosure- seal cracks in stairwell walls									
<b>Sub-Total This Section:</b>								<b>\$650.00</b>			

This work will be done by: ☐ Owner ☒ Contractor ☐ Subcontractor

Cost Estimate Attached: ☐ Permit Required: ☐

Summary/Narrative Of Work To Be Done:

### 8. Driveways

				Qty	Unit	Unit Cost	Total	Tax/Margin		Grand Total	
Install new asphalt driveway				Material/LS	1	Ea	3,500.00	3,500.00	0.0%	0.00	\$3,500.00
Location		Level	D	Labor	1	Ea	0.00	0.00	Completion Hrs: 0		
Exterior Side/s		Remove driveway and replace with new asphalt drive									
<b>Sub-Total This Section:</b>								<b>\$3,500.00</b>			

### 9. Painting (Ext.)

				Qty	Unit	Unit Cost	Total	Tax/Margin		Grand Total	
Prep and Paint all Exterior Wood				Material/LS	1		250.00	250.00	0.0%	0.00	\$250.00
Location		Level	R	Labor	1	EA	0.00	0.00	Completion Hrs:		
Roof		Repaint defective wood trim/barge board at roof line									
<b>Sub-Total This Section:</b>								<b>\$250.00</b>			

This work will be done by: ☐ Owner ☒ Contractor ☐ Subcontractor

Cost Estimate Attached: ☐ Permit Required: ☐

Summary/Narrative Of Work To Be Done:

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Any Town, USA 55555

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### 13. Windows

		Qty	Unit	Unit Cost	Total	Tax/Margin		Grand Total
Install new vinyl windows		1		200.00	200.00	0.0%	0.00	\$200.00
Material/LS								
Location	Level	M	Labor	1	Ea	0.00	0.00	Completion Hrs: 0
2nd floor	Replace broken top sash at window in front bedroom							
Repair window sash/springs		1		150.00	150.00	0.0%	0.00	\$150.00
Material/LS								
Location	Level	M	Labor	1	Ea	0.00	0.00	Completion Hrs: 0
3rd floor	Repair defective sash at 3rd floor bedroom window							
Install new vinyl windows		2		250.00	500.00	0.0%	0.00	\$500.00
Material/LS								
Location	Level	M	Labor	1	Ea	0.00	0.00	Completion Hrs: 0
Basement	Remove rotted/damaged wood at basement windows- install windows to allow ventilation							
<b>Sub-Total This Section:</b>								<b>\$850.00</b>

This work will be done by: ☐ Owner ☒ Contractor ☐ Subcontractor

Cost Estimate Attached: ☐ Permit Required: ☐

Summary/Narrative Of Work To Be Done:

### 15. Doors (Ext.)

		Qty	Unit	Unit Cost	Total	Tax/Margin		Grand Total
Repair exterior door		1		100.00	100.00	0.0%	0.00	\$100.00
Material/LS								
Location	Level	M	Labor	1	Ea	0.00	0.00	Completion Hrs: 0
Basement	Replace broken window in basement door							
<b>Sub-Total This Section:</b>								<b>\$100.00</b>

This work will be done by: ☐ Owner ☒ Contractor ☐ Subcontractor

Cost Estimate Attached: ☐ Permit Required: ☐

Summary/Narrative Of Work To Be Done:

### 19. Decorating

		Qty	Unit	Unit Cost	Total	Tax/Margin		Grand Total
Paint interior trim, walls and ceilings		1		4,800.00	4,800.00	0.0%	0.00	\$4,800.00
Material/LS								
Location	Level	M	Labor	1	SF	0.00	0.00	Completion Hrs:
All interior rooms								
<b>Sub-Total This Section:</b>								<b>\$4,800.00</b>

This work will be done by: ☐ Owner ☒ Contractor ☐ Subcontractor

Cost Estimate Attached: ☐ Permit Required: ☐

Summary/Narrative Of Work To Be Done:

Paint all walls & ceiling to homeowners requests.

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Any Town, USA 55555

01 Sample Report

### 21. Stairs

				Qty	Unit	Unit Cost	Total	Tax/Margin		Grand Total	
Provide and install handrails				Material/LS	1		350.00	350.00	0.0%	0.00	\$350.00
Location		Level	M	Labor	1	Ea	0.00	0.00	Completion Hrs: 0		
1st Floor		Provide and install proper handrail with balusters at open side of staircase to 2nd floor									
Repair handrail/s				Material/LS	1		150.00	150.00	0.0%	0.00	\$150.00
Location		Level	M	Labor	1	Ea	0.00	0.00	Completion Hrs: 0		
Basement		Install handrail at steps to basement									
<b>Sub-Total This Section:</b>								<b>\$500.00</b>			

This work will be done by: ☐ Owner ☒ Contractor ☐ Subcontractor

Cost Estimate Attached: ☐ Permit Required: ☐

Summary/Narrative Of Work To Be Done:

### 23. Wood Floors

				Qty	Unit	Unit Cost	Total	Tax/Margin		Grand Total	
Install new hardwood floors.				Material/LS	1		1,200.00	1,200.00	0.0%	0.00	\$1,200.00
Location		Level	D	Labor	1	EA	0.00	0.00	Completion Hrs:		
1st Floor		Remove existing flooring, install new hardwood floors at living and dining rooms									
<b>Sub-Total This Section:</b>								<b>\$1,200.00</b>			

This work will be done by: ☐ Owner ☒ Contractor ☐ Subcontractor

Cost Estimate Attached: ☐ Permit Required: ☐

Summary/Narrative Of Work To Be Done:

### 25. Ceramic Tile

				Qty	Unit	Unit Cost	Total	Tax/Margin		Grand Total	
Install ceramic tile floor and wainscot in bathtub area for shower height.				Material/LS	1		950.00	950.00	0.0%	0.00	\$950.00
Location		Level	R	Labor	1	EA	0.00	0.00	Completion Hrs:		
Bath 1											
Ceramic Floor Tile				Material/LS	1		800.00	800.00	0.0%	0.00	\$800.00
Location		Level	D	Labor	1	EA	0.00	0.00	Completion Hrs:		
Kitchen		Replace floor at kitchen									
<b>Sub-Total This Section:</b>								<b>\$1,750.00</b>			

This work will be done by: ☐ Owner ☒ Contractor ☐ Subcontractor

Cost Estimate Attached: ☐ Permit Required: ☐

Summary/Narrative Of Work To Be Done:

5555 Any Street  
Any Town, USA 55555

01 Sample Report

**27. Plumbing**

				Qty	Unit	Unit Cost	Total	Tax/Margin		Grand Total	
Replace defective sewer lines.				Material/LS	1		450.00	450.00	0.0%	0.00	\$450.00
Location		Level	R	Labor	1	EA	0.00	0.00	Completion Hrs: _____		
Basement											
Sub-Total This Section:										\$450.00	

This work will be done by: ☐ Owner ☒ Contractor ☐ Subcontractor

Cost Estimate Attached: ☐ Permit Required: ☐

Summary/Narrative Of Work To Be Done:

**28. Electrical**

				Qty	Unit	Unit Cost	Total	Tax/Margin		Grand Total	
Install GFCI outlet				Material/LS	1		200.00	200.00	0.0%	0.00	\$200.00
Location		Level	M	Labor	1	EA	0.00	0.00	Completion Hrs: _____		
Kitchen		Rewire outlets at both sides of sink to correct reverse polarity situation and provide gfi protection									
Install GFCI outlet				Material/LS	1		100.00	100.00	0.0%	0.00	\$100.00
Location		Level	M	Labor	1	EA	0.00	0.00	Completion Hrs: _____		
Garage		Replace dead outlet at rear wall of garage with gfi protected receptacle									
Electrical Wiring				Material/LS	1		150.00	150.00	0.0%	0.00	\$150.00
Location		Level	R	Labor	1	EA	0.00	0.00	Completion Hrs: _____		
Basement		Rewire sump pump outlet onto dedicated circuit									
Sub-Total This Section:										\$450.00	

This work will be done by: ☐ Owner ☒ Contractor ☐ Subcontractor

Cost Estimate Attached: ☐ Permit Required: ☐

Summary/Narrative Of Work To Be Done:

**31. Cabinetry**

				Qty	Unit	Unit Cost	Total	Tax/Margin		Grand Total	
Install wood wall and base cabinets				Material/LS	1		4,000.00	4,000.00	0.0%	0.00	\$4,000.00
Location		Level	D	Labor	1	Ea	0.00	0.00	Completion Hrs: 0		
Kitchen											
Install new kitchen countertops				Material/LS	1		1,950.00	1,950.00	0.0%	0.00	\$1,950.00
Location		Level	D	Labor	1	EA	0.00	0.00	Completion Hrs:		
Kitchen											
Sub-Total This Section: \$5,950.00											

This work will be done by: ☐ Owner ☒ Contractor ☐ Subcontractor

Cost Estimate Attached: ☐ Permit Required: ☐

Summary/Narrative Of Work To Be Done:

**CONSULTANT'S COMMENT**

5555 Any Street  
Any Town, USA 55555

01 Sample Report

## RECAP SUBTOTALS

Construction Sub-Totals	
1. Masonry	250.00
2. Siding	0.00
3. Gutters/Downspouts	1,850.00
4. Roof	5,600.00
5. Shutters	0.00
6. Exteriors	650.00
7. Walks	0.00
8. Driveways	3,500.00
9. Painting (Ext.)	250.00
10. Caulking	0.00
11. Fencing	0.00
12. Grading/Landscaping	0.00
13. Windows	850.00
14. Weatherstrip	0.00
15. Doors (Ext.)	100.00
16. Doors (Int.)	0.00
17. Partition Wall	0.00
18. Plaster/Drywall	0.00
19. Decorating	4,800.00
20. Wood Trim	0.00
21. Stairs	500.00
22. Closets	0.00
23. Wood Floors	1,200.00
24. Finished Floors	0.00
25. Ceramic Tile	1,750.00
26. Bath Accessories	0.00
27. Plumbing	450.00
28. Electrical	450.00
29. Heating	0.00
30. Insulation	0.00
31. Cabinetry	5,950.00
32. Appliances	0.00
33. Basements	0.00
34. Cleanup	0.00
35. Miscellaneous	0.00
<b>Construction Cost Subtotal:</b>	<b>\$28,150.00</b>

Allowable Fees & RecapTotals		
<b>Construction Costs Subtotal :</b>		<b>\$28,150.00</b>
ALLOWABLE FEES		
	Note	Fee
Work Write Up & Consultatio	based onn repair amt	\$250.00
Draw Fees	3 @ \$175/ea	\$150.00
Feasibility Study	Paid by CK	\$475.00
<b>Allowable Fees Total :</b>		<b>\$875.00</b>
<b>Contingency Reserve:</b>	<b>10%</b>	<b>\$2,815.00</b>
<b>Grand Total:</b>		<b>\$31,840.00</b>

**All repairs must be performed in conformance with local zoning ordinances and codes. Applicant(s) and Contractor (if any) to sign and date upon final acceptance.**

Date of Final Acceptance: \_\_\_\_\_

Consultant/Plan Reveiwer: \_\_\_\_\_ Date: \_\_\_\_\_ ID No: \_\_\_\_\_

Applicant(s): \_\_\_\_\_ Date: \_\_\_\_\_ Applicant(s): \_\_\_\_\_ Date: \_\_\_\_\_

Applicant(s): \_\_\_\_\_ Date: \_\_\_\_\_ Applicant(s): \_\_\_\_\_ Date: \_\_\_\_\_

Contractor: \_\_\_\_\_ Date: \_\_\_\_\_



# Construction Narrative

Inspection Date: \_\_\_\_\_

Consultant's Job No: 01 Sample Report

Applicant

Property Address

LoanType:

HUD 203(k)

## Construction Item

Consultant's Job No: 01 Sample Report

### 1. Masonry

Repair Stone Foundation Wall

Level: R Unit: Ea Completion Hrs: 0

Location: Exterior Walls Details: Repair damaged section of stucco at rear steps to basement, at base of wall at front patio

☐ Owner ☒ Contractor ☐ Subcontractor

Seal and monitor minor stucco cracks at walls

### 3. Gutters/Downspouts

Install new gutters & downspouts

Level: R Unit: LS Completion Hrs: \_\_\_\_\_

Location: Roof Details:

☐ Owner ☒ Contractor ☐ Subcontractor

### 4. Roof

Provide and install new roofing

Level: R Unit: Ea Completion Hrs: 0

Location: Roof Details: Cost of roof includes permits

☐ Owner ☒ Contractor ☐ Subcontractor

New construction:  
Roof trusses placed on 2 foot centers will have 5/8 or thicker sheathing.  
Roof trusses placed on 16 inch centers will have 1/2 inch or thicker sheathing.  
Oriented strand board or plywood will be used for sheathing.  
Sheathing will be covered with 15lb. felt with 3 to 6 inch overlaps and felt stapled into place.  
Dripedge will be applied to entire perimeter of the roof.  
Self sealing asphalt shingles of owners choice of color will be applied per manufacturers recommendations.

### 6. Exteriors

Exterior steps

Level: M Unit: LS Completion Hrs: 0

Location: Exterior Details: Repair and add handrail to steps front front porch to yard

Add handrails at steps

Level: M Unit: EA Completion Hrs: 0

Location: Basement Details: Add handrail and guardrail around basement stairwell enclosure- seal cracks in stairwell walls

☐ Owner ☒ Contractor ☐ Subcontractor

### 8. Driveways

Install new asphalt driveway

Level: D Unit: Ea Completion Hrs: 0

Location: Exterior Side/s Details: Remove driveway and replace with new asphalt drive

☐ Owner ☐ Contractor ☐ Subcontractor

Levels: M - Mandatory By HUD, R - Recommended by Consultant, D - Desired By Owner

### 9. Painting (Ext.)

**Prep and Paint all Exterior Wood** Level: R Unit: LS Completion Hrs: \_\_\_\_\_  
**Location:** Roof **Details:** Repaint defective wood trim/barge board at roof line  
☐ Owner ☒ Contractor ☐ Subcontractor

### 13. Windows

**Install new vinyl windows** Level: M Unit: EA Completion Hrs: 0  
**Location:** 2nd floor **Details:** Replace broken top sash at window in front bedroom

**Repair window sash/springs** Level: M Unit: Ea Completion Hrs: 0  
**Location:** 3rd floor **Details:** Repair defective sash at 3rd floor bedroom window

**Install new vinyl windows** Level: M Unit: EA Completion Hrs: 0  
**Location:** Basement **Details:** Remove rotted/damaged wood at basement windows- install windows to allow ventilation  
☐ Owner ☒ Contractor ☐ Subcontractor

### 15. Doors (Ext.)

**Repair exterior door** Level: M Unit: Ea Completion Hrs: 0  
**Location:** Basement **Details:** Replace broken window in basement door  
☐ Owner ☒ Contractor ☐ Subcontractor

### 19. Decorating

**Paint interior trim, walls and ceilings** Level: M Unit: LS Completion Hrs: \_\_\_\_\_  
**Location:** All interior rooms **Details:** \_\_\_\_\_  
☐ Owner ☒ Contractor ☐ Subcontractor Paint all walls & ceiling to homeowners requests.

### 21. Stairs

**Provide and install handrails** Level: M Unit: LS Completion Hrs: 0  
**Location:** 1st Floor **Details:** Provide and install proper handrail with balusters at open side of staircase to 2nd floor

**Repair handrail/s** Level: M Unit: Ea Completion Hrs: 0  
**Location:** Basement **Details:** Install handrail at steps to basement  
☐ Owner ☒ Contractor ☐ Subcontractor

### 23. Wood Floors

**Install new hardwood floors.** Level: D Unit: LS Completion Hrs: \_\_\_\_\_  
**Location:** 1st Floor **Details:** Remove existing flooring, install new hardwood floors at living and dining rooms  
☐ Owner ☒ Contractor ☐ Subcontractor

### 25. Ceramic Tile

**Install ceramic tile floor and wainscot in bathtub area for shower height.** Level: R Unit: LS Completion Hrs: \_\_\_\_\_  
**Location:** Bath 1 **Details:** \_\_\_\_\_

**Ceramic Floor Tile** Level: D Unit: LS Completion Hrs: \_\_\_\_\_  
**Location:** Kitchen **Details:** Replace floor at kitchen  
☐ Owner ☒ Contractor ☐ Subcontractor

## 27. Plumbing

**Replace defective sewer lines.**

**Level:**   R        **Unit:**   LS        **Completion Hrs:**           

**Location:** Basement **Details:**

☐ Owner    ☒ Contractor    ☐ Subcontractor

## 28. Electrical

## Install GFCI outlet

**Level:**   M        **Unit:**   EA        **Completion Hrs:**           

**Location:** Kitchen      **Details:** Rewire outlets at both sides of sink to correct reverse polarity situation and provide gfi protection

## Install GFCI outlet

**Level:**   M        **Unit:**   EA        **Completion Hrs:**           

**Location:** Garage      **Details:** Replace dead outlet at rear wall of garage with gfi protected receptacle

## Electrical Wiring

**Level:** R      **Unit:** LS      **Completion Hrs:**           

**Location:** Basement      **Details:** Rewire sump pump outlet onto dedicated circuit

☐ Owner    ☒ Contractor    ☐ Subcontractor

### 31. Cabinetry

## Install wood wall and base cabinets

**Level:** D      **Unit:** LS      **Completion Hrs:** 0

**Location:** Kitchen      **Details:**

## Install new kitchen countertops

**Level:** D      **Unit:** LS      **Completion Hrs:**           

<b>Location:</b>	<b>Kitchen</b>	<b>Details:</b>
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☐ Owner    ☒ Contractor    ☐ Subcontractor



## Narrative Totals

### Construction Item Totals

1. Masonry	250.00
2. Siding	0.00
3. Gutters/Downspouts	1,850.00
4. Roof	5,600.00
5. Shutters	0.00
6. Exteriors	650.00
7. Walks	0.00
8. Driveways	3,500.00
9. Painting (Ext.)	250.00
10. Caulking	0.00
11. Fencing	0.00
12. Grading/Landscaping	0.00
13. Windows	850.00
14. Weatherstrip	0.00
15. Doors (Ext.)	100.00
16. Doors (Int.)	0.00
17. Partition Wall	0.00
18. Plaster/Drywall	0.00
19. Decorating	4,800.00
20. Wood Trim	0.00
21. Stairs	500.00
22. Closets	0.00
23. Wood Floors	1,200.00
24. Finished Floors	0.00
25. Ceramic Tile	1,750.00
26. Bath Accessories	0.00
27. Plumbing	450.00
28. Electrical	450.00
29. Heating	0.00
30. Insulation	0.00
31. Cabinetry	5,950.00
32. Appliances	0.00
33. Basements	0.00
34. Cleanup	0.00
35. Miscellaneous	0.00
<b>Construction Cost Subtotal:</b>	
<b>\$28,150.00</b>	

### Allowable Fees & Recap Totals

<b>Construction Costs Subtotal :</b>		<b>\$28,150.00</b>
<b>ALLOWABLE FEES</b>		
<b>Note</b>		<b>Fee</b>
Work Write Up & Consultati	based onn repair amt	\$250.00
Draw Fees	3 @ \$175/ea	\$150.00
Feasibility Study	Paid by CK	\$475.00
<b>Allowable Fees Total :</b>		<b>\$875.00</b>
<b>Contingency Reserve:</b>	<b>10%</b>	<b>\$2,815.00</b>
<b>Grand Total:</b>		<b>\$31,840.00</b>

Borrower's Acceptance: \_\_\_\_\_

Date: \_\_\_\_\_

Inspection Date

# Final Work Write Up Summary

Value Home Inspections, Inc.

(215) 886-0010

Inspector & ID Number

Applicant/Property Address

Lender & Loan Number

Sample Home Mortgage

FHA Case Number

Construction Item	Materials		Total	Tax or		Grand Total	Completion		Draw Number	Draw Total
	Labor	or Lump Sum		Margin %	Tax/Margin		Hours			
1. Masonry	0.00	250.00	250.00	0.00%	0.00	250.00	0.0			
2. Siding	0.00	0.00	0.00				0.0			
3. Gutters/Downspouts	0.00	1,850.00	1,850.00	0.00%	0.00	1,850.00				
4. Roof	0.00	5,600.00	5,600.00	0.00%	0.00	5,600.00	0.0			
5. Shutters	0.00	0.00	0.00	0.00%	0.00		0.0			
6. Exteriors	0.00	650.00	650.00	0.00%	0.00	650.00	0.0			
7. Walks	0.00	0.00	0.00	0.00%	0.00		0.0			
8. Driveways	0.00	3,500.00	3,500.00	0.00%	0.00	3,500.00	0.0			
9. Painting (Ext.)	0.00	250.00	250.00	0.00%	0.00	250.00				
10. Caulking	0.00	0.00	0.00	0.00%	0.00		0.0			
11. Fencing	0.00	0.00	0.00	0.00%	0.00		0.0			
12. Grading/Landscaping	0.00	0.00	0.00	0.00%	0.00		0.0			
13. Windows	0.00	850.00	850.00	0.00%	0.00	850.00	0.0			
14. Weatherstrip	0.00	0.00	0.00	0.00%	0.00		0.0			
15. Doors (Ext.)	0.00	100.00	100.00	0.00%	0.00	100.00	0.0			
16. Doors (Int.)	0.00	0.00	0.00	0.00%	0.00		0.0			
17. Partition Wall	0.00	0.00	0.00	0.00%	0.00		0.0			
18. Plaster/Drywall	0.00	0.00	0.00	0.00%	0.00		0.0			
19. Decorating	0.00	4,800.00	4,800.00	0.00%	0.00	4,800.00				
20. Wood Trim	0.00	0.00	0.00	0.00%	0.00		0.0			
21. Stairs	0.00	500.00	500.00	0.00%	0.00	500.00	0.0			
22. Closets	0.00	0.00	0.00	0.00%	0.00		0.0			
23. Wood Floors	0.00	1,200.00	1,200.00	0.00%	0.00	1,200.00				
24. Finished Floors	0.00	0.00	0.00	0.00%	0.00		0.0			
25. Ceramic Tile	0.00	1,750.00	1,750.00	0.00%	0.00	1,750.00				
26. Bath Accessories	0.00	0.00	0.00	0.00%	0.00		0.0			
27. Plumbing	0.00	450.00	450.00	0.00%	0.00	450.00				
28. Electrical	0.00	450.00	450.00	0.00%	0.00	450.00				
29. Heating	0.00	0.00	0.00	0.00%	0.00		0.0			
30. Insulation	0.00	0.00	0.00	0.00%	0.00		0.0			
31. Cabinetry	0.00	5,950.00	5,950.00	0.00%	0.00	5,950.00	0.0			
32. Appliances	0.00	0.00	0.00	0.00%	0.00		0.0			
33. Basements	0.00	0.00	0.00	0.00%	0.00		0.0			
34. Cleanup	0.00	0.00	0.00	0.00%	0.00		0.0			
35. Miscellaneous	0.00	0.00	0.00	0.00%	0.00		0.0			

10% Contingency Reserve: \$2,815.00 + Total Estimate: \$28,150.00

= Total Loan Estimate : \$30,965.00

Draw Request Subtotal:

Total Completion Hours: 0.0



## Consultant's Identity-Of-Interest Certification

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Borrower's Name(s)
Property Address
FHA Case No.

"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).**

\_\_\_\_\_  
Consultant/Plan Reviewer's Signature:

\_\_\_\_\_  
Date:

**Consultant:** Catherine Hall

# Draw Request

U.S. Department of Housing and  
Urban Development

OMB Approval No. 2502-0527 (exp. 04/30/2011)

## HUD 203(k)

Office of Housing

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	Lender's Name & Address <b>Sample Home Mortgage</b> <b>5555 Any Street</b> <b>Any Town, USA 55555</b>	FHA Case Number	
		This Draw Number <b>Initial</b>	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

Suggested Contingency Reserve Amount

**X**

**\$2,815.00**

**10%**

	Construction Item	Total Escrow Col. 1	Total Cost of Rehabilitation				Inspector/Lender Adjusted Amounts Col. 4		
			Previous Draw Totals Col. 2	%	Request for This Draw Col. 3	%			
1 .	Masonry	\$250.00							1 .
2 .	Siding	\$0.00							2 .
3 .	Gutters/Downspouts	\$1,850.00							3 .
4 .	Roof	\$5,600.00							4 .
5 .	Shutters	\$0.00							5 .
6 .	Exteriors	\$650.00							6 .
7 .	Walks	\$0.00							7 .
8 .	Driveways	\$3,500.00							8 .
9 .	Painting (Ext.)	\$250.00							9 .
10 .	Caulking	\$0.00							10 .
11 .	Fencing	\$0.00							11 .
12 .	Grading/Landscaping	\$0.00							12 .
13 .	Windows	\$850.00							13 .
14 .	Weatherstrip	\$0.00							14 .
15 .	Doors (Ext.)	\$100.00							15 .
16 .	Doors (Int.)	\$0.00							16 .
17 .	Partition Wall	\$0.00							17 .
18 .	Plaster/Drywall	\$0.00							18 .
19 .	Decorating	\$4,800.00							19 .
20 .	Wood Trim	\$0.00							20 .
21 .	Stairs	\$500.00							21 .
22 .	Closets	\$0.00							22 .
23 .	Wood Floors	\$1,200.00							23 .
24 .	Finished Floors	\$0.00							24 .
25 .	Ceramic Tile	\$1,750.00							25 .
26 .	Bath Accessories	\$0.00							26 .
27 .	Plumbing	\$450.00							27 .
28 .	Electrical	\$450.00							28 .
29 .	Heating	\$0.00							29 .
30 .	Insulation	\$0.00							30 .
31 .	Cabinetry	\$5,950.00							31 .
32 .	Appliances	\$0.00							32 .
33 .	Basements	\$0.00							33 .
34 .	Cleanup	\$0.00							34 .
35 .	Miscellaneous	\$0.00							35 .
36 .	<b>Totals</b>	<b>\$28,150.00</b>							<b>36 .</b>

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. 1001,1012;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 cost of rehabilitation as shown above in column 3. I understand that I cannot obtain additional monies from the rehabilitation 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 escrow account will be distributed as required by the 203(k) program procedures.

**Borrower's Signature** ☒ Owner-Occupied ☐ Investor-Builder **X** 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) **X** Date

I certify that I have carefully inspected this property on this date. The draw amounts are 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** **X** I.D. Number Date

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 <b>X</b>	

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

- ☐ Originating Lender Sill Retains Funds  
☐ Rehab Funds Transferred to:

## Rehabilitation Inspection Report

FHA Case Number

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

1. ☐ Unable To Make Inspection. (explained Below)
2. ☐ Correction essential as explained below.
  - a. ☐ Will examine at next inspection.
  - b. ☐ Do not conceal until reinspected.
3. ☐ No noncompliance observed.
4. ☐ Acceptable variations as described below.
5. ☐ 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	<input checked="" type="checkbox"/> Consultant/Inspector	Inspector Fee	ID Number
<b>X</b>	<input type="checkbox"/> Fee Inspector		<b>P0437</b>
	<input type="checkbox"/> DE Staff Inspector		



## Consultant's Allowable Fee Agreement

Prepared for:

Address:

**Lender:** Sample Home Mortgage

**Loan Originator:**

**Loan Type:** HUD 203(k)

This agreement is entered on \_\_\_\_\_, between Catherine Hall (CONSULTANT) and \_\_\_\_\_(BUYER) regarding the subject property:

For the sum(s) specified the CONSULTANT agrees to:

1) Meet with Borrower(s) and /or Borrower(s)' Agent(s) and/or Contractor(s) at the subject property address to inspect the physical property, identify areas in need of improvement, and determine overall suitability for FHA's 203(k) Rehabilitation Mortgage Program. A feasibility fee will be due and payable upon completion of these services. This fee will be fully credited toward the Total Consultant Fee (below) should Borrower(s) decide to continue the application process. This fee is non-contingent and non-refundable. If upon initial examination it is determined quickly that the needed repairs are unfeasible for the Borrower(s) and/or excessively expensive, the Consultant will NOT perform a full Home Inspection and no additional payment will be necessary.

2) With Borrower(s)' input, Consultant will list work items that: A) must be done according to the Program; B) would be recommended to be done at this time by the Consultant or others, and; C) are desired by Borrower(s). From this list, Consultant and Borrower(s) will jointly determine the scope of the work.

3) Produce appropriate documentation in a HUD accepted format, with Draw Request. It is understood that any architectural exhibits do not include certified architectural drawings. If such drawing becomes necessary, all extra costs will be the responsibility of the borrower.

For performing the above services, Borrower(s) agrees to pay Consultant the total sum down below at the time of service (which includes the charge for item #1 above) which is based on HUD's recommended fee schedule. This amount may be reimbursed to the borrower at closing.

If additional testing services are necessary, these services will either be provided by the Consultant or qualified sub-contractors agreed to by both the Consultant and the Borrower; however, the charges for these testing services are in addition to the above Consultant fee. The Consultant will try to estimate all extra charges in advance (see below), and may schedule the additional testing for the borrower(s). The charges, however, will be the sole responsibility of the Borrower(s), and will be due and payable at the time of service.

Additional Testing Services or Certifications that may be necessary and their estimated charges:

### Allowable Fee Items

Allowable Fee Item	Fee Item Note	Fee
Draw Fees	3 @ \$350/ea	\$350.00
Feasibility Study	Paid by CK	\$475.00

**Fees To Be Paid: \$625.00**

**Lender's assurance of payment for balance due is acceptable with Signature (below).**

X \_\_\_\_\_ Date: \_\_\_\_\_  
If guaranteeing payment, Signature of Authorized Official of the Lender

X \_\_\_\_\_ Date: \_\_\_\_\_  
Borrower:

X \_\_\_\_\_ Date: \_\_\_\_\_  
Consultant: Catherine Hall ID No.: P0437

# Homeowner/Contractor Agreement

<i>Borrower's Name(s):</i>	<i>Contractor's Name:</i>
<i>Address:</i>	<i>Address:</i> <b>#Error</b>
<i>Telephone Number:</i>	<i>Phone Number:</i>
<i>FHA Case No.</i>	<i>License No.:</i>

**THIS AGREEMENT**, made this date, \_\_\_\_\_, between the above mentioned Homeowner (Owner) and Contractor, is for the rehabilitation of the property located at \_\_\_\_\_ that has been approved for FHA mortgage insurance under Section 203(k) of the National Housing Act. The Owner(s) shall pay the Contractor the sum of \$\_\_\_\_\_ for completion of the work, including all sales tax due by law, together with such increases or decreases in the contract price as may be approved in writing by the Lender. The work will begin within 30 days of loan closing with the Lender and will be completed by \_\_\_\_\_, unless delayed beyond the Contractor's control. The General Provisions listed below are made a part of this Agreement. The contract documents consist of the architectural exhibits listed in the Rehabilitation Loan Agreement between the Owner(s) and the Lender, or as described below (or on an attached sheet):

**1. Contract Documents:** This Agreement includes all general provisions, special provisions and architectural exhibits that were accepted by the lender. 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. By executing this Agreement, the contractor represents that he/she has visited the site and understands local conditions, including state and local building regulations and conditions under which the work is to be performed.

**2. Owner:** Unless otherwise provided for in the Agreement, the owner will 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 owner fails to do so then the contract is void. If the contractor fails to correct defective work or persistently fails to carry out the work in accordance with the agreement or general provisions, the owner 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 will supervise and direct the work and the work of all subcontractors. He/she will use the best skill and attention and will be solely responsible for all construction methods and materials and for coordinating all portions of the work. Unless otherwise specified in the 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. The contractor will maintain order and discipline among employees and will not assign anyone unfit for the task. The contractor warrants to the owner that all materials and equipment incorporated are new and that all work will be of good quality and free of defects or faults. The contractor will pay all sales, use and other taxes related to the work and will secure and pay for building permits and/or other permits, fees, inspections and licenses necessary for the completion of the work unless otherwise specified in the Agreement. The contractor will indemnify and hold harmless the owner from and against all claim, damages, losses, expenses, legal fees or other costs arising or resulting from the contractors performance of the work or provisions of this section. The contractor will 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 is responsible for, and indemnifies the Owner against, acts and omissions of employees, subcontractors and their employees, or others performing the work under this Agreement with the contractor. The contractor will provide shop drawings, samples, product data or other information provided for in this Agreement, where necessary.

**4. Subcontractor:** Selected by the contractor, except that the contractor will not employ any subcontractor to whom the owner may have a reasonable objection, nor will the contractor be required by the owner to employ any subcontractor to whom the contractor has a reasonable objection.

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

**6. Binding Arbitration:** Claims or disputes relating to the Agreement or General Provisions will 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 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.

*Borrower's Initial:* \_\_\_\_\_

*Contractor's Initial:* \_\_\_\_\_

**Signature Required on Page 2**

Page 1

**Homeowner/Contractor Agreement (Cont.)**

**7. Cleanup and Trash Removal:** The contractor will 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 change orders, 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. The contractor must begin work no later than 30 days after loan dosing and will not cease work for more than 30 consecutive days.

**9. Payments and Completion:** 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 after complete release of any and all liens arising out of the contract 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 Owner against such liens and will refund all monies including costs and reasonable attorney's fees paid by the owner in discharging the liens. A 10 percent holdback is required by the lender to assure the work has been properly completed and there are no liens on the property.

**10. 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 laws, regulations, ordinances, orders or laws of federal, state, county or local governments. The contractor will indemnify the owner for all property loss or damage to the owner caused by his/ her employees or his/her direct or subtier subcontractors.

**11. Insurance:** The contractor will purchase and maintain such insurance necessary to protect from claims under workers compensation and from any damage to the owner(s) property resulting from the conduct of this contract.

**12. Changes in the Contract:** The owner may order changes, additions or modifications (using form HUD-92577) without invalidating the contract. Such changes must be in writing and signed by the owner 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 without an accepted change order.

**13. Correction of Deficiencies:** The contractor must correct promptly any work of his/her own or his/her subcontractors found to be defective or not complying with the terms of the contract.

**14. Warranty:** The contractor will provide a one-year warranty on all labor and materials used in the rehabilitation of the property. This warranty must extend one year from the date of completion of the contract or longer if prescribed by law unless otherwise specified by other terms of this contract. Disputes will be resolved through the Construction Industry Arbitration Rules of the American Arbitration Association.

**15. Termination:** If the owner fails to make a payment under the terms of this Agreement, through no fault of the contractor, the contractor may, upon ten working days written notice to the owner, and if not satisfied, terminate this Agreement. The owner will be responsible for paying the contractor for all work completed.

If the contractor fails or neglects to carry out the terms of the contract, the owner, after ten working days written notice to the contractor, may terminate this Agreement.

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*Owner Signature(s) And Date*

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*Owner Signature(s) And Date*

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*Owner Signature(s) And Date*

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*Owner Signature(s) And Date*

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*Contractor's Signature(s) And Date*





# Certification Letter

HUD 203(k)

**Date:**

**Buyer's Name:**

**Address:**

**Phone Number:**

**FHA Case Number:**

I hereby certify that I have carefully inspected the following property at:

for compliance with the general acceptability requirements (including health and safety) in Handbook 4905.1 or its successors.

I have reviewed the attached architectural exhibits and the estimated rehabilitation costs of this property, and have determined them to be acceptable.

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 (Handbook 4240.4 or its successors).

*X* \_\_\_\_\_ *Date:* \_\_\_\_\_

HUD Consultant:

ID Number: