



**LIST OF REQUIRED DOCUMENTS FROM  
CONTRACTORS FOR 203K'S:**

- 1. BID TO MATCH SCOPE OF WORK**
- 2. BUYER-CONTRACTOR AGREEMENT**
- 3. COPY OF YOUR GENERAL CONTRACTOR  
IDENTIFICATION CARD**
- 4. CONTRACTOR PROFILE**
- 5. RENOVATION CONTRACTOR STATEMENT**
- 6. LIABILITY INSURANCE CERTIFICATE**
- 7. WORKMANS COMP CERTIFICATE**
- 8. COPY OF SIGNED W9**
- 9. LEAD RENOVATOR CERTIFICATION (FOR  
HOMES BUILT PRIOR TO 1978)**

# HOMEOWNER/CONTRACTOR AGREEMENT

Owner's Name(s):		FHA Case No:	
Address:			
City:	State:	Zip Code:	
Telephone Number:	Work:	Cell/Mobile:	
Contractor's Name:		License No.:	
Address:			
City:	State:	Zip Code:	
Telephone Number:	Work:	Cell/Mobile:	

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):

\_\_\_\_\_  
Owner(s) Signature and Date

\_\_\_\_\_  
Contractor's Signature and Date

**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.

**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 sub-tier 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.

## RENOVATION CONTRACTOR STATEMENT

Legal Name of Business		Phone Number (    )    -	
Mailing address		Fax Number (    )    -	
City, State, Zip Code		Cell Phone Number (    )    -	
Business Website address, if applicable: www. _____			
State licensed in:	License Number:	Type of license:	Tax ID # (Required):
<input type="checkbox"/> I am <b>not</b> a licensed contractor <b>and</b> the state/local jurisdiction does <b>not</b> require a license for the type of work I will be performing			
1. Organization has been in business under its present name for _____ years. 2. Organization has been in business as a _____ (i.e. General Contractor, Electrical, Plumber, etc.) for _____ years. 3. Name, Title, SSN and Ownership % of each partner, shareholder or member:			
Name	Title	Social Security Number	Ownership %
		-   -	%
		-   -	%
		-   -	%
4. <input type="checkbox"/> If checked, I am certifying that I am exempt because the state/city /county does <b>not</b> require that my organization carry <b>Liability Insurance</b> <b>If not</b> certifying as exempt, provide Insurance information: Insurance Company _____ Agent Name _____ Agent Phone Number (    )    -    -			
5. <input type="checkbox"/> If checked, I am certifying that I am exempt because the state/city /county does <b>not</b> require that my organization carry <b>Workers Compensation Insurance</b> <b>If not</b> certifying as exempt, provide Insurance information: Insurance Company _____ Agent Name _____ Agent Phone Number (    )    -    -			
6. List your last renovation job			
Type of Job	Approximate \$ Amount	Homeowner(s) Names	Phone Number
	\$		(    )    -
7. If contract/bid is $\geq$ \$35,000 list two subcontractors or suppliers			
Name of subcontractor or supplier		Telephone Number	
		(    )    -	
		(    )    -	
The undersigned certifies that the statements and representations made herein are true and complete to the best of his/her knowledge and hereby authorizes Wells Fargo Bank, N.A. (WFB) or its agent to obtain business and/or personal credit reports, and verify the information represented herein with employees, financial institutions, trade or credit grantors, and others as it may deem necessary or appropriate in its sole discretion. <b>Certain credit and proprietary information of contractor supplied to WFB or its agent may be needed by WFB or its agent in connection with the processing and underwriting of loans or projects involving the undersigned contractor. Contractor hereby consents to WFB, its agent and any other Wells Fargo affiliate, sharing such information, including business and personal credit reports, tax returns, financial statements, account and other financial information, prior experience, construction industry reports and references, and other contractor information, regardless of whether such information was first furnished to or obtained by WFB, its agent or other Wells Fargo affiliate.</b>			
Owner/Partner/Member – Signature	Title	Date	
Owner/Partner/Member – Signature	Title	Date	
Owner/Partner/Member – Signature	Title	Date	

(To be processed, all Owners/Partners/Members must sign above)

## Contractor Interview/Review Sheet

Classification:

- General Contractor \_\_\_\_\_
- Specialized Contractor \_\_\_\_\_
- Generalist/Handyman \_\_\_\_\_

In answering the questions below, consider the following factors to determine if the contractor has:

- Experience to complete the project
- Financial Capacity
- Understands the scope of the project
- Understands the renovation financing
- Can finish the project in the contracted timeframe

Questions to ask	Comments
How long have they been in this line of business?	
Is this their full time, primary employment?	
Do they have a resume?	
Do they have appropriate business licensing (if required by state or local law)?	
Do they have appropriate insurance?	
How many projects of similar scope have they completed? How many in the last year?	
Are they familiar with the process of the renovation mortgages? Do they understand the draw process, holdbacks, and how money is paid out of the escrow account <b>after</b> work is completed?	
Are they able and willing to complete work within the allotted timeframe?	
Have they ever completed a renovation project where the financing was obtained by an FHA 203(k), FannieMae HomeStyle mortgage or FreddieMac Renovation? If so, how many?	
Can they provide 5 previous customers as references? Get name, phone number and nature of work completed AND check their references.	
Can they provide at least 3 trade lines for accounts for materials that you can verify?	
Do they have any judgements, claims, arbitration proceedings or suits pending or outstanding against them or their business or the business' officers?	
Have they filed any lawsuits or requested arbitration with regard to construction contracts within the last five years?	
What is their Tax Identification Number (TIN#)?	
General Comments	

- Acceptable
- Not Acceptable

\_\_\_\_\_  
Evaluator's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Underwriter's Signature

\_\_\_\_\_  
Date