



ADVISORS MORTGAGE GROUP, LLC®

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FIX-IT
MORTGAGE™

BY ADVISORS MORTGAGE GROUP, LLC

BUY IT. FIX IT. LOVE IT!™

HOMESTYLE CONTRACTOR INFORMATION ACKNOWLEDGEMENT

Borrower: _____ Property: _____

Contractor review and acceptance by the Lender is required for all transactions financed with a Renovation Loan. All Renovation work must be performed by a licensed, insured and qualified contractor and all work must be completed in a workmanlike manner. There must be a Home Owner Contractor Agreement signed by all parties.

PLEASE ATTACH A COPY OF YOUR LICENSE, LIABILITY INSURANCE AND WORKMAN'S COMP IF YOU HAVE EMPLOYEES ON THE JOB, OR A LETTER INDICATING WORKMAN'S COMP DOES NOT APPLY AND WHY.

Please acknowledge and initial the terms below on each line:

_____ **FIRST DRAW & PERMITS:** The project you are estimating will be financed using a HomeStyle renovation loan. All **INITIAL** funds for the project are held by the servicing lender in a renovation escrow account. The first draw is available after the loan closes and the escrow is established with the servicing Lender. The homeowner will receive a notice from the servicing Lender as soon as that account is available. Lender may disburse up to 50% of the material costs before beginning construction when the contractor has requested payment of such via a Material Draw Request prepared by HUD Consultant. Funds for material items will be released where a contract is established with the supplier and an order is placed with the manufacturer for delivery. This contract must be included with the Material Draw for funds to be released.

_____ **ALL PERMITS:** must be issued by the local or state building departments before any work begins. Permits (as **INITIAL** verified by the building department) must be put in place within 30 days of loan closing and prior to any funds being released from the renovation escrow. If the property is being refinanced, the permit must be applied and in place prior to loan closing.

Permit: _____ Amount: _____
(Please note the city/county/village in which permits will be pulled) (Verified Permit Amount from Municipality)

_____ **CONTINGENCY FUNDS:** Contingency reserve funds are can only be disbursed during the project for unexpected **INITIAL** items that effect health, safety or code issues and can be requested through a change order. If a change order (contingency release) is being requested, the change order must be approved by the servicing lender prior to the work being done, then after the work is completed and inspected, the contractor must provide an invoice for additional funds. The Homeowner and Contractor will complete the Change order form to deliver to the lender.

Checks are payable to both the borrower & the contractor, sent to the borrower's address (verify correct address for borrower) and then signed over by borrower to contractor.

_____ **CERTIFICATION:** I certify that I have read and understand the requirements through the repair period and agree to **INITIAL** these terms set forth. The work **MUST BEGIN WITHIN 30 DAYS** of loan closing and not cease for more than a 30-day period. All work must be **COMPLETED WITHIN 15 MONTHS OF CLOSING**. No funds other than those in the account are available for the project.

Contractor Name: _____ Company Name: _____

Address: _____

Contractor Signature: _____ Date: _____