Work Write Up

Consultant's Report

Prepared by

Jim Wurtenberg

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Fowlerville-2657

Inspected Address: 3518 Fowlerville Rd, Caledonia, New York, 14423

Inspection Date: 06/07/2019

Client		Lender	
Client Name:	Andy St Clair	Lender:	Prime Lending
Client Phone:	(585) 226-2250 (585) 747-5423	Lender Phone:	(555) 555-5554
Client Email:	healthyhomesofny@gmail.com	Loan Officer:	Sean Palma
		Loan Officer Phone:	(585) 233-8373

Date:11-25-2019

Central
REAL ESTATE INSPECTIONS, INC.

REHAB PROJECT OVERVIEW

PROPERTY ADDRESS: 3518 Fowlerville Rd, Caledonia, New York 14423

CONSULTANT: Jim Wurtenberg

Borrower Name	Andy St Clair	Address	3518 Fowlerville
Cell Phone #	(585) 747-5423	City	Caladonia
Home Phone #	585 226-2250	State	New York
Borrower Email	healthyhomesofny@gmail.com	Zip	14423

Rehab Type	Full 203k
FHA Case #	
Loan #	2394005865
Finance Type:	Purchase

Lender Company	Prime Lending	Loan Officer Name	Sean Palma
Lender Cell #	585 (585) 233-8373	Lender Email	sean.palma@primelending.com

Contractor Company #1	Central Real Estate Inspections Inc.	Contractor #1 Email	centralinspections@gmail.com
Contractor Company #2		Contractor #2 Email	
Contractor Company #3		Contractor #3 Email	
Contractor Company #4		Contractor #4 Email	

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Central
REAL ESTATE INSPECTIONS, INC.

Rehabilitation Loan Permit Certification

(To be completed by local municipality or HUD Consultant)

Property: 3518 Fowlerville Rd,
Caledonia, New York 14423

Applicant(s): Andy St Clair

Loan #: 2394005865

Rehab Type: ■ Full 203K ☐ Streamline 203k ☐ Fnma Homestyle ☐ SONYMA _____ ☐ Other _____

Municipality Type: ☐ County ■ Town ☐ City ☐ Village ☐ Other _____

Name of Municipality: Caledonia

Phone No: (585) 226-2250

☐ **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.) which 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
Jim Wurtenberg		

-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	(Y) / N	(Y) / N	$ 170.00
HVAC	Y / (N)	Y / (N)	$ 0.00
ROOFING	Y / (N)	Y / (N)	$ 0.00
ELECTRICAL	Y / (N)	(Y) / N	$ 150.00
PLUMBING	Y / (N)	Y / (N)	$ 0.00
OTHER	Y / (N)	Y / (N)	$ 0.00
NO PERMITS REQUIRED	Y / (N)	Y / (N)	$ 0.00

Signature: James B. Wurtenberg Date: 11-21-2019

■ 203K Consultant* ID # P1970 (*By Signing, HUD Consultant certifies that s/he has verified the above information w/the 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:

Fowlerville-2657

Inspection Date: 06/07/2019 **Consultant:** Jim Wurtenberg

Applicant:
Andy St Clair
(585) 226-2250

Property Address:
3518 Fowlerville Rd,
Caledonia, New York, 14423

Lender:
Prime Lending

Construction Categories, Items & Costs (Construction Cost Estimate)

1. Masonry

Material: $1.00 *Tax*: $0.08 *Labor*: $0.00 *Total*: **$1.08**

	Repair Item	*Repair Class*	*M.Unit*	*M.Qty*	*M.Cost*	*M.Tax*	*L.Unit*	*L.Qty*	*L.Cost*	*Sub Total*
1	1: other .. ***Location:*** *All Areas* ***Repairer:*** Contractor .. *Repair Notes:* No Repairs in this Category	D	EA	1	1.00	0.08	EA	0	0.00	1.08
	1. Masonry Totals:				**1.00**	**0.08**			**0.00**	**1.08**

Category Details

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2. Siding

Material: $200.00 *Tax*: $16.00 *Labor*: $700.00 *Total*: **$916.00**

	Repair Item	*Repair Class*	*M.Unit*	*M.Qty*	*M.Cost*	*M.Tax*	*L.Unit*	*L.Qty*	*L.Cost*	*Sub Total*
1	Repair all damaged 2 .. ***Location:*** *Exterior* ***Repairer:*** Contractor	R	LS	1	200.00	16.00	LS	1	700.00	916.00
	2. Siding Totals:				**200.00**	**16.00**			**700.00**	**916.00**

Category Details
Contractor to repair all siding and install required wooden trim around doors and windows that are add as part of this project

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3. Gutters/Downspouts

Material:	*Tax*:	*Labor*:	*Total*:
$1.00	$0.08	$0.00	**$1.08**

	Repair Item	*Repair Class*	*M.Unit*	*M.Qty*	*M.Cost*	*M.Tax*	*L.Unit*	*L.Qty*	*L.Cost*	*Sub Total*
1	Gutters/Downspouts- NO ITEMS .. ***Location:*** *All Areas* ***Repairer:*** Contractor .. *Repair Notes:* No Repairs in this Category	D	EA	1	1.00	0.08	selected	0	0.00	1.08
	3. Gutters/Downspouts Totals:				**1.00**	**0.08**			**0.00**	**1.08**

Category Details

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13. Windows

Material:	*Tax*:	*Labor*:	*Total*:
$833.00	$66.64	$800.00	**$1699.64**

	Repair Item	*Repair Class*	*M.Unit*	*M.Qty*	*M.Cost*	*M.Tax*	*L.Unit*	*L.Qty*	*L.Cost*	*Sub Total*
1	Install new window per design at specified location .. ***Location:*** *Bath 1* ***Repairer:*** Contractor .. *Repair Notes:* Contractor to supply and install window as per design for bathroom above washer/dryer hook up area. To include insulation around window and interior/exterior wood trim.	D	LS	1	375.00	30.00	LS	1	400.00	805.00
2	Install new window per design at specified location .. ***Location:*** *Kitchen* ***Repairer:*** Contractor .. *Repair Notes:* Contractor to supply and install window as per design for kitchen above sink area. To include insulation around window and interior/exterior wood trim.	D	LS	1	458.00	36.64	LS	1	400.00	894.64
	13. Windows Totals:				**833.00**	**66.64**			**800.00**	**1699.64**

Category Details
Window installation to include cutting hole in exterior wall to install window unit as well as all shimming materials required for proper installation.

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15. Doors (Ext.)

Material:	*Tax*:	*Labor*:	*Total*:
$6700.00	$536.00	$2300.00	**$9536.00**

	Repair Item	*Repair Class*	*M.Unit*	*M.Qty*	*M.Cost*	*M.Tax*	*L.Unit*	*L.Qty*	*L.Cost*	*Sub Total*
1	Install sliding door .. ***Location:*** *All Areas* ***Repairer:*** Contractor .. *Repair Notes:* Contractor to provide and install 6' x 6'-8" Anderson 400 Series Gliding Patio Doors. One at each location as per plan. The open area of the doorway from bedroom should be protected to prevent persons from falling prior to installation of steps	D	EA	3	1600.00	384.00	EA	3	500.00	6684.00
2	Doors: Exterior Security Doors .. ***Location:*** *Garage 1* ***Repairer:*** Contractor	M	EA	1	600.00	48.00	LS	1	300.00	948.00

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.. *Repair Notes:* Contractor to provide and install a 90 minute rated fire door from living space basement to rear garage area.

	Repair Item	Repair Class	M.Unit	M.Qty	M.Cost	M.Tax	L.Unit	L.Qty	L.Cost	Sub Total
3	Install new door/s .. ***Location:*** *Kitchen* ***Repairer:*** Contractor	D	EA	1	1300.00	104.00	LS	1	500.00	1904.00

.. *Repair Notes:* Contractor to provide and install an Anderson 400 series in-swing french patio door from kitchen to side of house. The open area of this doorway should be protected to prevent persons from falling prior to installation of steps or deck.

	15. Doors (Ext.) Totals:				**6700.00**	**536.00**			**2300.00**	**9536.00**

Category Details
Contractor to provide and install in a professional manor exterior doors as per plans.

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16. Doors (Int.)

Material:	*Tax*:	*Labor*:	*Total*:
$650.00	$52.00	$600.00	**$1302.00**

	Repair Item	Repair Class	M.Unit	M.Qty	M.Cost	M.Tax	L.Unit	L.Qty	L.Cost	Sub Total
1	Doors Interior: Other .. ***Location:*** *All Areas* ***Repairer:*** Contractor	D	LS	3	150.00	36.00	LS	3	150.00	936.00

.. *Repair Notes:* Contractor to provide and install as per plans hollow core pre-hung doors at, basement stairway, bath and small bedroom. Pre-hung hollow core french doors are to be installed at kitchen pantry. Client to choose specific design.

2	Doors Interior: Other .. ***Location:*** *Pantry* ***Repairer:*** Contractor	D	LS	1	200.00	16.00	LS	1	150.00	366.00

	16. Doors (Int.) Totals:				**650.00**	**52.00**			**600.00**	**1302.00**

Category Details
Contractor to provide and install in a professional workmanship manor interior doors as per plan. Client to choose design and inform contractor.

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17. Partition Wall

Material:	*Tax*:	*Labor*:	*Total*:
$170.00	$13.60	$13075.00	**$13258.60**

	Repair Item	Repair Class	M.Unit	M.Qty	M.Cost	M.Tax	L.Unit	L.Qty	L.Cost	Sub Total
1	Permit-General Building .. ***Location:*** *All Areas* ***Repairer:*** Contractor	M	LS	1	170.00	13.60	LS	1	75.00	258.60

.. *Repair Notes:* General Building Permit for a single family residence up to 2000 square feet as per the town of Caledonia. Permits is required prior to first draw, certification of satisfactory condition required at/before final disbursement on category.

2	Framing of new walls and partitions (Do not include drywall cost). .. ***Location:*** *First Floor Rooms* ***Repairer:*** Contractor	D	EA	0	0.00	0.00	EA	1	8000.00	8000.00

.. *Repair Notes:* Contractor to provide and install required lumber per plan to frame flooring, ceilings, and partition walls for all of first floor living space as per plan.

3	Framing of new walls and partitions (Do not include drywall cost). .. ***Location:*** *Basement* ***Repairer:*** Contractor	D	EA	0	0.00	0.00	EA	1	4000.00	4000.00

.. *Repair Notes:* Contractor to provide and install required lumber per plan to frame basement surrounding walls as per plan.

4	Framing of new walls and partitions (Do not include drywall cost). .. ***Location:*** *Foundation* ***Repairer:*** Contractor	M	EA	0	0.00	0.00	EA	1	1000.00	1000.00

.. *Repair Notes:* Contractor to provide and install required lumber per plan to frame structural support wall in basement for first floor living spaces.

17. Partition Wall Totals:			**170.00**	**13.60**			**13075.00**	**13258.60**

Category Details
Contractor to provide and install building materials required to preform all required framing work as per plan. Ceilings, partition walls and flooring including doorways and windows. All work to be performed in a professional workmanship manor. Cost does not include drywall.

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18. Plaster/Drywall

Material:	*Tax*:	*Labor*:	*Total*:
$0.00	$0.00	$12100.00	**$12100.00**

	Repair Item	*Repair Class*	*M.Unit*	*M.Qty*	*M.Cost*	*M.Tax*	*L.Unit*	*L.Qty*	*L.Cost*	*Sub Total*
1	Drywall mud & tape .. ***Location:*** *1st Floor* ***Repairer:*** Contractor	D	EA	0	0.00	0.00	LS	1	8000.00	8000.00

.. *Repair Notes:* Contractor to provide and install drywall material, tape, corners and compound to finish all walls and ceilings within the first floor living space including the stairway to the basement. Mold resistant drywall is to be used where required.

2	Drywall mud & tape .. ***Location:*** *Basement* ***Repairer:*** Contractor	D	EA	0	0.00	0.00	LS	1	3200.00	3200.00

.. *Repair Notes:* Contractor to provide and install mold resistant drywall, tape corners and compound in basement wall areas are per plans, this does not include basement ceiling areas. All drywall surfaces are to be sanded and paint ready.

3	Drywall mud & tape .. ***Location:*** *Garage 1* ***Repairer:*** Contractor	R	EA	0	0.00	0.00	LS	1	900.00	900.00

.. *Repair Notes:* Contractor to supply and install 5/8 type (fire-code) drywall in wall in garage adjacent living space. All work to be performed in a professional workmanship manor.

18. Plaster/Drywall Totals:			**0.00**	**0.00**			**12100.00**	**12100.00**

Category Details
Installation of drywall to include cover joints and screw heads with mud. Embedded tape in joints, Lightly sand and re-mud joints 2x's. Final sand for primer/finish ready. Includes planning, equipment and material acquisition, are preparation and protection, setup and cleanup.

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19. Decorating

Material:	*Tax*:	*Labor*:	*Total*:
$0.00	$0.00	$4500.00	**$4500.00**

	Repair Item	*Repair Class*	*M.Unit*	*M.Qty*	*M.Cost*	*M.Tax*	*L.Unit*	*L.Qty*	*L.Cost*	*Sub Total*
1	Prime all new drywall and wood trim .. ***Location:*** *1st Floor* ***Repairer:*** Contractor	D	LS	0	0.00	0.00	LS	1	4500.00	4500.00

.. *Repair Notes:* Contractor to supply and perform all required steps to prime and paint all new drywall surfaces and new trim/moldings throughout the first floor interior.

19. Decorating Totals:			**0.00**	**0.00**			**4500.00**	**4500.00**

Category Details
Contractor to provide and install two coats of paint after priming to all finished first floor interior surfaces. Ceilings to be white, clients choose of one color for all walls and trim. Painting to include all final prep, materials, related equipment and clean-up.

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20. Wood Trim

Material: $700.00 | *Tax*: $56.00 | *Labor*: $1000.00 | *Total*: **$1756.00**

	Repair Item	*Repair Class*	*M.Unit*	*M.Qty*	*M.Cost*	*M.Tax*	*L.Unit*	*L.Qty*	*L.Cost*	*Sub Total*
1	Wood trim- mouldings .. ***Location:*** *1st Floor* ***Repairer:*** Contractor .. *Repair Notes:* Contractor to provide and install interior floor, door and window trim at all first floor areas including kitchen and bath.	D	LS	1	700.00	56.00	LS	1	1000.00	1756.00
	20. Wood Trim Totals:				**700.00**	**56.00**			**1000.00**	**1756.00**

Category Details

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21. Stairs

Material: $0.00 | *Tax*: $0.00 | *Labor*: $2300.00 | *Total*: **$2300.00**

	Repair Item	*Repair Class*	*M.Unit*	*M.Qty*	*M.Cost*	*M.Tax*	*L.Unit*	*L.Qty*	*L.Cost*	*Sub Total*
1	Install new stairs at basement. .. ***Location:*** *Basement* ***Repairer:*** Contractor .. *Repair Notes:* Contractor to provide and install 3.5' wide stairway with landing and railing between the first floor and basement as per plan.	D	EA	0	0.00	0.00	LS	1	2300.00	2300.00
	21. Stairs Totals:				**0.00**	**0.00**			**2300.00**	**2300.00**

Category Details

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24. Finished Floors

Material: $0.00 | *Tax*: $0.00 | *Labor*: $5000.00 | *Total*: **$5000.00**

	Repair Item	*Repair Class*	*M.Unit*	*M.Qty*	*M.Cost*	*M.Tax*	*L.Unit*	*L.Qty*	*L.Cost*	*Sub Total*
1	Install new padding and carpeting (lump sum) .. ***Location:*** *1st Floor* ***Repairer:*** Contractor .. *Repair Notes:* Contractor to provide and install quality carpet and pad of clients choose at both bedrooms and living room to include all threshold moldings.	D	LS	0	0.00	0.00	LS	1	3000.00	3000.00
2	Install vinyl tile or sheet goods with 1/4 underlayment at: .. ***Location:*** *Kitchen and Bathrooms* ***Repairer:*** Contractor .. *Repair Notes:* Contractor to provide and install clients choose of flooring for kitchen and bath.	D	EA	0	0.00	0.00	LS	1	2000.00	2000.00
	24. Finished Floors Totals:				**0.00**	**0.00**			**5000.00**	**5000.00**

Category Details

Contractor to supply and install floor coverings, including any preparation, additional installation materials, and removal of all debris at all areas of the first floor living space.

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26. Bath Accessories

Material:	*Tax*:	*Labor*:	*Total*:
$0.00	$0.00	$300.00	**$300.00**

	Repair Item	*Repair Class*	*M.Unit*	*M.Qty*	*M.Cost*	*M.Tax*	*L.Unit*	*L.Qty*	*L.Cost*	*Sub Total*
1	Bath Accessories .. ***Location:*** *Bath 1* ***Repairer:*** Contractor	D	LS	0	0.00	0.00	LS	1	300.00	300.00
	.. Repair Notes: Contractor to supply and install 4 piece bath accessories kit of clients chose.									
	26. Bath Accessories Totals:				**0.00**	**0.00**			**300.00**	**300.00**

Category Details

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27. Plumbing

Material:	*Tax*:	*Labor*:	*Total*:
$825.00	$66.00	$16086.00	**$16977.00**

	Repair Item	*Repair Class*	*M.Unit*	*M.Qty*	*M.Cost*	*M.Tax*	*L.Unit*	*L.Qty*	*L.Cost*	*Sub Total*
1	Install New Septic System .. ***Location:*** *Exterior* ***Repairer:*** Sub-contractor	M	LS	0	0.00	0.00	LS	1	10836.00	10836.00
	.. Repair Notes: Sub Contractor to to provide county health permit and perform all work as detailed on Septic Estimate dated 07/17/2019 from Banker Construction.									
2	Plumbing : other .. ***Location:*** *All Areas* ***Repairer:*** Contractor	D	EA	0	0.00	0.00	LS	1	2500.00	2500.00
	.. Repair Notes: Contractor to supply and rough install all required supply and drainage piping per municipal code as per plan for bathroom, kitchen and exterior faucet. Including connection to new septic and current water supply									
3	Plumbing / fixtures .. ***Location:*** *Bath 1* ***Repairer:*** Contractor	D	EA	0	0.00	0.00	LS	1	2000.00	2000.00
	.. Repair Notes: Contractor to supply and install all plumbing fixtures for bathroom/laundry. To include a one piece tub/shower, toilet, cabinet/sink and all faucets.									
4	Install new hot water heater .. ***Location:*** *All Areas* ***Repairer:*** Contractor	D	EA	1	350.00	28.00	LS	1	350.00	728.00
	.. Repair Notes: Contractor to provide and install a electric water heater (minimum of 40gal)									
5	Install kitchen plumbing fixtures .. ***Location:*** *Kitchen* ***Repairer:*** Contractor	D	LS	1	475.00	38.00	LS	1	400.00	913.00
	.. Repair Notes: Contractor to provide and install kitchen sink and faucet of clients chose.									
	27. Plumbing Totals:				**825.00**	**66.00**			**16086.00**	**16977.00**

Category Details
Contractor to provide and install clients chose of fixtures in the bath/laundry room and kitchen. The installation of a New Septic system, Water heater and supply/drainage piping is required to move forward on plumbing work. All work is to have a final inspection by a licensed plumber.

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28. Electrical

Material:	*Tax*:	*Labor*:	*Total*:
$320.00	$25.60	$6160.00	**$6505.60**

	Repair Item	Repair Class	M.Unit	M.Qty	M.Cost	M.Tax	L.Unit	L.Qty	L.Cost	Sub Total
1	Install new ceiling-light fixture w/wall switches. .. ***Location:*** *All Areas* ***Repairer:*** Contractor .. *Repair Notes:* Contractor to provide and install overhead and exterior lighting connected to switches as per plan. Basic fixtures to be used during construction.	D	EA	0	0.00	0.00	LS	1	3500.00	3500.00
2	Install 3-prong grounded outlet as directed by borrower .. ***Location:*** *All Areas* ***Repairer:*** Contractor .. *Repair Notes:* Contractor to provide and install electrical outlets as per plan. GFCI outlets are to be where code requires and ARC Fault breakers are to be where code requires.	D	EA	0	0.00	0.00	LS	1	2300.00	2300.00
3	Smoke detector(s) .. ***Location:*** *All Areas* ***Repairer:*** Contractor .. *Repair Notes:* Contractor to provide and install hardwired smoke/carbon monoxide detectors as per New York State law	M	EA	4	80.00	25.60	EA	4	90.00	705.60
	28. Electrical Totals:				**320.00**	**25.60**			**6160.00**	**6505.60**

Category Details

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29. Heating

Material:	*Tax*:	*Labor*:	*Total*:
$1200.00	$96.00	$900.00	**$2196.00**

	Repair Item	Repair Class	M.Unit	M.Qty	M.Cost	M.Tax	L.Unit	L.Qty	L.Cost	Sub Total
1	Install electric baseboard room heater .. ***Location:*** *1st Floor* ***Repairer:*** Contractor .. *Repair Notes:* Contractor to provide and install baseboard electric heaters at bath, kitchen, bedrooms and living room.	D	EA	6	200.00	96.00	EA	6	150.00	2196.00
	29. Heating Totals:				**1200.00**	**96.00**			**900.00**	**2196.00**

Category Details

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30. Insulation

Material:	*Tax*:	*Labor*:	*Total*:
$0.00	$0.00	$4700.00	**$4700.00**

	Repair Item	Repair Class	M.Unit	M.Qty	M.Cost	M.Tax	L.Unit	L.Qty	L.Cost	Sub Total
1	Insulate between exterior and interior walls .. ***Location:*** *1st Floor* ***Repairer:*** Contractor .. *Repair Notes:* Contractor to supply and install as per plan insulation at living space.	D	EA	0	0.00	0.00	LS	1	2000.00	2000.00
2	Insulate ceilings .. ***Location:*** *1st Floor* ***Repairer:*** Contractor .. *Repair Notes:* Contractor to provide and install cellulose insulation as per plan above all living space. To include proper venting of roof and bath vent through roof per code.	D	EA	0	0.00	0.00	LS	1	2000.00	2000.00

3	Install insulation batts. .. ***Location:*** *Garage 1* ***Repairer:*** Contractor .. *Repair Notes:* Contractor to provide and install insulation as per plan within wall between garage and living space	D	EA	0	0.00	0.00	LS	1	700.00	700.00
	30. Insulation Totals:				**0.00**	**0.00**			**4700.00**	**4700.00**

Category Details
All insulation should include proper ventilation to prevent condensation build up which causes mold. Ventilation may be required within the attic space and should be evaluated during the insulation process.

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31. Cabinetry

Material: $2500.00 *Tax*: $200.00 *Labor*: $3000.00 *Total*: **$5700.00**

	Repair Item	*Repair Class*	*M.Unit*	*M.Qty*	*M.Cost*	*M.Tax*	*L.Unit*	*L.Qty*	*L.Cost*	*Sub Total*
1	Install cabinets & countertops .. ***Location:*** *Kitchen* ***Repairer:*** Contractor .. *Repair Notes:* Contractor to provide and install kitchen and pantry cabinets and Formica counter tops as per plan. Client to pick design and colors.	D	LS	1	2500.00	200.00	LS	1	3000.00	5700.00
	31. Cabinetry Totals:				**2500.00**	**200.00**			**3000.00**	**5700.00**

Category Details
Cabinet work does not include plumbing fixture or sink, these are under plumbing. Work to include all material and supplies to properly install base and wall cabinets as well as counter tops.

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32. Appliances

Material: $450.00 *Tax*: $36.00 *Labor*: $300.00 *Total*: **$786.00**

	Repair Item	*Repair Class*	*M.Unit*	*M.Qty*	*M.Cost*	*M.Tax*	*L.Unit*	*L.Qty*	*L.Cost*	*Sub Total*
1	Range .. ***Location:*** *Kitchen* ***Repairer:*** Contractor .. *Repair Notes:* Contractor to supply and install electric range and electrical hook up for range.	M	EA	1	450.00	36.00	LS	1	300.00	786.00
	32. Appliances Totals:				**450.00**	**36.00**			**300.00**	**786.00**

Category Details

Project Construction and Fee Estimate
Fowlerville-2657

	Construction Categories	Total $
Section 1	Masonry	**1.08**
Section 2	Siding	**916.00**
Section 3	Gutters/Downspouts	**1.08**
Section 4	Roof	**0.00**
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	**1699.64**
Section 14	Weatherstrip	**0.00**
Section 15	Doors (Ext.)	**9536.00**
Section 16	Doors (Int.)	**1302.00**
Section 17	Partition Wall	**13258.60**
Section 18	Plaster/Drywall	**12100.00**
Section 19	Decorating	**4500.00**
Section 20	Wood Trim	**1756.00**
Section 21	Stairs	**2300.00**
Section 22	Closets	**0.00**
Section 23	Wood Floors	**0.00**
Section 24	Finished Floors	**5000.00**
Section 25	Ceramic Tile	**0.00**
Section 26	Bath Accessories	**300.00**
Section 27	Plumbing	**16977.00**
Section 28	Electrical	**6505.60**
Section 29	Heating	**2196.00**
Section 30	Insulation	**4700.00**
Section 31	Cabinetry	**5700.00**
Section 32	Appliances	**786.00**
Section 33	Basements	**0.00**
Section 34	Cleanup	**0.00**
Section 35	Miscellaneous	**0.00**
Section 1 - 35	**Construction Cost SUBTOTAL**	**$89535.00**

Fee Name	Fee Details	Total $
Draw Fees	6 Draws at 225.000	**1,350.00**
Mileage Fee	36 Miles at 0.580 * 6 trips	**125.28**
Feasibility Study	Paid in full	**100.00**
Work Write up	Based upon repair amount $89532.84	**950.00**
Permits	Permit costs as per Form	**310.00**
TOTAL	Fee Grand Total	**$ 2,835.28**

Sub Total Name	Notes	GRAND Total
Construction Subtotal		**$89535.00**
Contingency Amount	**10%**	**$8953.50**
Fee Total	Fee Grand Total	**$ 2,835.28**
	Grand Total	**$ 101,323.78**

Date of Signature: 11-25-2019

CONSULTANT SIGNATURE:

Consultant Services Agreement

This Agreement is made on 11-25-2019 **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: Andy St Clair
Client Phone: (585) 747-5423
Client Address: 3518 Fowlerville, Caladonia, New York, 14423
Consultant Name: Jim Wurtenberg

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.

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) agrees 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. Jim Wurtenberg and Central Real Estate Inspections Inc. shall not be held responsible for any additional work required after our initial inspection of the property. Jim Wurtenberg and Central Real Estate Inspections Inc. 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), its 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) of 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 that 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 to other parties associated with the closing of escrow on the loan and / or rehabilitation of the property and to 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.

11. ADDITIONAL FEES AND PROVISIONS. Additional fees may be charged for the following services:

*** Additional photographs at $25 per set**

*** Desired changes in the scope of work requiring a new Specifications or Repairs at $100 minimum.**

*** Preparation of change orders at $100 each minimum (to be paid from available contingency reserve funds or by client(s) as needed)**

*** Any additional inspections that may become necessary at $150 minimum**

*** Contractor Bid Meeting to introduce prospective contractors and client(s) at the property; facilitating the bidding process $200**

12. Introduction to Contractors. Consultant may provide at the request of the client(s) a list of qualified contractors who may be interested in bidding on the project. Any introductions that we facilitate between you and proposed contractor(s) is merely that- an introduction. It is not a recommendation, endorsement or guarantee of quality or performance. You should also seek out contractors on your own. We always recommend you perform your own due diligence (reference checking, etc.) on any contractor you plan to hire. Please pursue your interviews and negotiations with contractor(s) using your own judgment. Client(s) accept the above disclaimer and agree to hold harmless Consultant, their staff and offices for any actions of the contractor(s) retained. The contractors on the Consultant's list have successfully completed one or more 203k renovation projects within the past 6 months. That being said, different lenders have different validation criteria- a contractor who may be considered qualified and approved by one lender may fail to be accepted by another. As a 203k consultant, it is neither our responsibility nor obligation to provide contractors for client(s) renovation project. We provide this introduction as a courtesy to help expedite your renovation project.

13. CLIENT AGREES that this agreement will remain enforced for this and all future evaluations of this property for this borrower (including draw inspection services) and that signature of one party binds all parties to this agreement.

I ACKNOWLEDGE AND CONFIRM MY ACCEPTANCE OF THIS AGREEMENT:

_____

Borrower Signature Date

_____

Borrower Signature Date

_____

Consultant Signature Date 11-25-2019

Central
REAL ESTATE INSPECTIONS, INC.

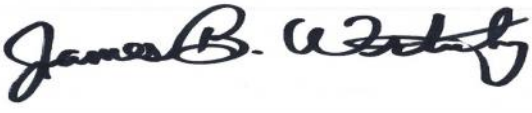
Fee Details

FEES PAID BY BORROWER

Fee Name	Fee Details	Total $
Draw Fees	6 Draws at 225.000	1,350.00
Mileage Fee	36 Miles at 0.580 * 6 trips	125.28
Feasibility Study	Paid in full	100.00
Work Write up	Based upon repair amount $89532.84	950.00
TOTAL	Fee Grand Total	**$ 2,525.28**

FEES INCLUDED IN ESCROW

Fee Name	Fee Details	Total $
Draw Fees	6 Draws at 225.000	1,350.00
Mileage Fee	36 Miles at 0.580 * 6 trips	125.28
Feasibility Study	Paid in full	100.00
Work Write up	Based upon repair amount $89532.84	950.00
Permits	Permit costs as per Form	310.00
TOTAL	Fee Grand Total	**$ 2,835.28**



CONSULTANT SIGNATURE: _____

Date of Signature: 11-25-2019

Copyright 2015 NAFHAC/Genesis

Draw Request
Section 203(k)

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

OMB Approval No. 2502-0527 (exp. 07/31/2017)

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	FHA Case Number	
Andy St Clair **3518 Fowlerville Rd,** **Caledonia, New York 14423**	**Prime Lending**	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			Suggested Contingency Reserve Amount	
X	**Jim Wurtenberg**	**11-25-2019**	**$ 8953.50**	**10** %

	Construction Item	Total Escrow Col. 1	Total Cost of Rehabilitation: Previous Draw Totals Col. 2	%	Request for This Draw Col. 3	%	Inspector/Lender Adjusted Amounts Col. 4	%	
1.	Masonry	**$ 1.08**							1.
2.	Siding	**$ 916.00**							2.
3.	Gutters/Downspouts	**$ 1.08**							3.
4.	Roof	**$ 0.00**							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	**$ 1699.64**							13.
14.	Weatherstrip	**$ 0.00**							14.
15.	Doors (Ext.)	**$ 9536.00**							15.
16.	Doors (Int.)	**$ 1302.00**							16.
17.	Partition Wall	**$ 13258.60**							17.
18.	Plaster/Drywall	**$ 12100.00**							18.
19.	Decorating	**$ 4500.00**							19.
20.	Wood Trim	**$ 1756.00**							20.
21.	Stairs	**$ 2300.00**							21.
22.	Closets	**$ 0.00**							22.
23.	Wood Floors	**$ 0.00**							23.
24.	Finished Floors	**$ 5000.00**							24.
25.	Ceramic Tile	**$ 0.00**							25.
26.	Bath Accesories	**$ 300.00**							26.
27.	Plumbing	**$ 16977.00**							27.
28.	Electrical	**$ 6505.60**							28.
29.	Heating	**$ 2196.00**							29.
30.	Insulation	**$ 4700.00**							30.
31.	Cabinetry	**$ 5700.00**							31.
32.	Appliances	**$ 786.00**							32.
33.	Basements	**$ 0.00**							33.
34.	Cleanup	**$ 0.00**							34.
35.	Miscellaneous	**$ 0.00**							35.
36.	**Totals**	**$ 89535.00**							**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)

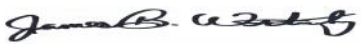
This draw request is submitted for payment. All completed work has been done in a workmanlike manner. I hereby certify to the actual costs of rehabilitation as shown above in column 3. I understand that I cannot obtain additional monies from the rehabilitation escrow account without the approval of the 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 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 **P1970** | Date **11-25-2019**

Approved for Release	This Draw	Totals to Date
Total from Above	$	$
Less 10% Holdback	$	$
Net Amount Due Borrower	$	$

The Lender is hereby authorized to release the following funds from the escrow account

Payable to the Borrower $ | Payable to the Fee Inspector $

Payable to | $

Signature & Date

☐ Lender-Authorized Agent

☐ DE Underwriter X

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

1. ☐ Unable to make inspection. (explain 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

X

☐ Consultant / Inspector
☐ Fee Inspector
☐ DE Staff Inspector

Inspection Fee | ID Number

ref. Handbook 4240.4 form **HUD-9746-A** (8/95)

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 unforseen 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 sends 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.

Central
REAL ESTATE INSPECTIONS, INC.

Identity of Interest Certification Letter

Property Address: 3518 Fowlerville Rd, Caledonia, New York 14423

Borrower's Name: Andy St Clair

FHA Loan No: 2394005865

Lender Name: Prime Lending

"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).

Consultants Signature: _____ **Date:** 11-25-2019

Consultants Name(Printed) : Jim Wurtenberg

Consultant ID#: P1970

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:	Co-Borrower's Signature & Date:
X	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

HOMEOWNER/CONTRACTOR AGREEMENT

Homeowner (s) ("Homeowner" and/or "Borrower")		FHA Case #	Sum:
Andy St Clair			$89535.00
Subject Property Street Address 3518 Fowlerville,			
Subject Property City Caladonia	**Subject Property State** New York		**Subject Property Zip Code** 14423
Telephone Number	**Work #** 585 226-2250		**Cell/Mobile** 585 747-5423
General/Primary/Sub Contractor (Contractor) Central Real Estate Inspections Inc./Jim Wurtenberg		**License Number**	
Address 1822 Jackson Rd			
City Penfield	**State** New York		**Zip Code** 14526
Telephone Number	**Work #** 585 377-3737		**Cell/Mobile**

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_____, or as soon as practical, but in no event later than thirty (30) days from the loan closing; and will be completed by _____, 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 fails 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 shallnot 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 this Agreement, where 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, butwhich 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.

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 willalso 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 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 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.

15. CORRECTION OF DEFICIENCES:

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.

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

_____		_____	
Owner/Borrower	Date	Owner/Borrower	Date
_____		_____	
Owner/Borrower	Date	Owner/Borrower	Date

_____

Contractor's Company Name

_____

Signature of Contractor Date

_____

Print Name Title