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RENOVATION CONTRACT

The information in red is provided as a guide.

Please complete the Example Renovation Agreement if you choose to use this form.

THIS RENOVATION CONTRACT is entered on this Date: date contract written
 Between the NFC borrowers name of homeowners/borrowers (“Borrowers”) and
 Contractor name of contractor (“Contractor”) for Contractor to provide the labor and materials to improve the property located at property address (“Property”).

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Borrowers and Contractor agree as follows:

- Improvements. Contractor shall perform the following renovation services and provide the improvements described in the bid attached in strict accordance with the plans and specifications attached (if applicable) (the “Improvements”). The various stages of the Improvements shall be completed in accordance with the below schedule:

Improvement Type	Improvement Completion Date
List the different components of the total project (example: roof, kitchen remodel, windows, driveway, etc.)	Put the estimated date of completion
	The date must no more than 5months from the date of the anticipated loan closing

Final completion of the Improvements shall be completed on or before less than 6 months from the date of the anticipated loan closing.

- Compensation. Borrower shall pay Contractor an amount equal to \$ Total amount of project & must match the attached bid for the Improvements (“Contractor’s Compensation”). The amount of the Contractor’s Compensation is inclusive of all taxes, costs, permit fees and other amounts and will not change unless the Borrowers and

Contractor enter into a Change Order as described below. An itemization of the Contractor's Compensation is included in the bid attached.

3. Payment. Payments to Contractors will be made in accordance with the process established on the CONTRACTOR INFORMATION SHEET provided to Contractor by Borrowers and made available on neighborhoodfinance.org.
4. Change Orders. Any change to the Improvements beyond minor and non-substantial change and any change to the Contractor's Compensation may only be made in writing signed by the Borrowers and Contractor (such writing a "Change Order"). All Change Orders must be submitted in writing by the party requesting such Change Order to the other party, and the other party shall review and respond to such Change Order within a reasonable time after receipt. Contractor acknowledges and agrees that Borrowers are contractually obligated to obtain their lender's approval prior to executing any Change Order.
5. Inspection. Prior to final completion of the Improvements, Contractor will provide Borrowers and Neighborhood Finance Corporation ("NFC"), at all reasonable times, the opportunity to inspect the Improvements to ensure compliance with the plans and specifications for the Improvements, and Contractor shall promptly comply with all reasonable requests of Borrowers to conform the Improvements to such plans and specifications.
6. Contractor Quality. Contractor represents, warrants and covenants that it has all approvals, credentials and permits necessary to perform the services contemplated in this agreement and will provide evidence of such upon Borrowers' request; that it has the experience and financial ability to complete the Improvements in accordance with the timeline set forth in this agreement; that it will conduct itself in a safe manner and in accordance with all applicable laws, rules, regulations and ordinances; and that the Improvements will be of good and workmanlike quality.
7. Contractor Insurance. Contractor must get and keep in force the following insurance policies: (i) a builder's all risk insurance policy (with a mortgagee's loss payable clause in favor of Borrower's lender and with a physical loss form endorsement), without co-insurance, in an amount not less than one hundred percent (100%) of the replacement cost of the Improvements, with the standard conditions; (ii) public liability insurance with limits of liability equal to at least \$500,000 per occurrence; (iii) worker's compensation insurance as required by applicable state law; and (iv) automobile liability insurance with limits of liability equal to at least \$300,000 per occurrence for each vehicle that will be used in providing the services. The insurance required of Contractor in this agreement shall be in force until the written acceptance of the Improvements by Borrowers.

8. Indemnification. Contractor will indemnify and hold harmless Borrower against all loss, liability, cost, expense, damage and economic detriment of any kind whatsoever that arises out of or results from performance of the Improvements but only to the extent cause in whole or in part by the acts or omissions of Contractor.

9. Subcontractors and Liens. At Borrowers' request, Contractor shall provide NFC the name, address and telephone number of all persons and entities that supply materials or labor in connection with this agreement and shall obtain all reasonable lien waivers from such persons and entities requested by Borrowers.

10. Renovation Loan Agreement. Contractor acknowledges and agrees that Borrowers will enter into that certain Renovation Loan Agreement with NFC for financing to complete the Improvements. Contractor has reviewed the Renovation Loan Agreement and agrees to take all reasonable actions requested by Borrowers to allow Borrowers to comply with their obligations under the Renovation Loan Agreement.

11. Governing Law. This agreement was negotiated and entered into in the state of Iowa and shall be controlled and interpreted by the laws of such state.

THIS IS A LEGALLY BINDING AGREEMENT. PLEASE READ IT CAREFULLY AND MAKE CERTAIN THAT YOU UNDERSTAND ALL OF THE TERMS AND CONDITIONS. IF YOU DO NOT UNDERSTAND ALL OF THE TERMS AND CONDITIONS YOU SHOULD CONSULT AN ATTORNEY PRIOR TO SIGNING THIS AGREEMENT.

IN WITNESS WHEREOF, the parties have executed this agreement as of the date first written above.

BORROWERS:

CONTRACTOR:

By: sign _____
 Name: print name _____

By: sign _____
 Name: print name _____
 Title: _____

By: _____
 Name: _____

THE FOLLOWING MUST BE ATTACHED: BID and PLANS AND SPECIFICATIONS, if applicable