



NEIGHBORHOOD FINANCE CORPORATION RENOVATION CONTRACT & BID PROCESS

Every NFC loan includes a renovation plan. Please use this guide to assist you with the bid process. The Sample Renovation Contract is provided by NFC as an example.

Why does NFC need a Renovation Contract with each bid?

NFC is required to get a Renovation Contract to meet the requirements of our investors. In order to assist with the process, frequently asked questions and answers regarding the bid process are provided below.

How many bids do I need for each project?

A borrower may get as many bids as they choose. NFC only requires one bid per project and requests that only the final bids from the chosen contractors are provided to NFC. The bids need to include the items noted on the NFC inspection (if one was completed) and those items chosen by the borrower. These bids will make up the scope of work for the renovation project.

What needs to be included with each bid?

Each bid should include:

- ✓ a date of the bid and a detailed description of the improvements that will be made
- ✓ if options are provided, the option you are choosing should be clearly marked
- ✓ the contractor should
 - note whether a permit is required, and if so whether the cost of the permit is included in the project cost or how much should be added to the project cost
 - whether a rebate is available, and if so the amount and whether it is included in the bid amount
 - if taxes are included in the total

How do I complete a Renovation Contract?

An Example Renovation Contract is available at neighborhoodfinance.org/resources or for your contractor at neighborhoodfinance.org/for-contractors/. Instructions are also available to walk you through completion. If you use the NFC example or another approved format, provide a summary of the complete project and make sure the improvement completion dates and final completion date are no more than five months from the anticipated closing date of the loan.

Neighborhood Finance Corporation (NFC) expects that Lead Safe Certified Firms and/or Contractors will be used on all projects where paint will be disturbed on homes built prior to 1978. Please visit neighborhoodfinance.org/for-contractors/ for additional information.

