



# Contractor's Guide

## 203(k) Standard

REMNM Wholesale | 194 Wood Ave S. 9th Floor | Iselin, NJ 08830

*Last updated 6.19.2023*



# Contractor's Checklist

Bid / SOR

[Contractor Questionnaire – Long Form](#)

[W-9 Form](#)

Principal's Driver's License

Contractor's License(s) (as required by state/ municipality)

Specialty Contractor Company Name(s) (when required)

General Liability (Certificate of Insurance)

Workman's Comp (Certificate of Insurance)

Confirmation of 25% of Hard Costs available via business assets or credit line (if Hard Costs exceed \$35,000)

## **Disclosures Requiring Contractor/Consultant Completion/Signature:**

[Contractor Identity of Interest](#)

[Estimate Waiver](#)

[Exemption Form \(if applicable\)](#)

[Homeowner Contractor Agreement \(HOCA\)](#)

[Project Completion Schedule](#)

[Renovation Disbursement Acknowledgment \(Standard\)](#)

## **Additional Disclosures Required from the Borrower:**

[Borrower Acknowledgment \(HUD 92700-A\)](#)

[Borrower Identity of Interest](#)

[Renovation Loan Acknowledgment](#)



# Insurance Information

Please follow instructions below to minimize delays

## **General Liability Insurance:**

- Provide Certificate of Insurance including agent contact information
- REMN to be added as a Certificate Holder (REMN will attempt to contact after COI with agent information received):

*Homebridge Financial Services, Inc. D/B/A Real Estate Mortgage Network  
194 Wood Avenue South, 9th Floor  
Iselin, NJ 08830*

## **Worker's Compensation Insurance:**

- Provide Certificate of Insurance including agent contact information (if separate from general liability policy)
- REMN to be added as a Certificate Holder (REMN will attempt to contact after COI with agent information received):

*Homebridge Financial Services, Inc. D/B/A Real Estate Mortgage Network  
194 Wood Avenue South, 9th Floor  
Iselin, NJ 08830*

- IF exempt from Worker's Compensation, provide a "Certificate of Exemption" (if issued by the State)
  - If the State does not provide such documentation, provide reason for exemption on the [Exemption Form](#) (subject to verification to ensure State & local laws are met)



# Document Guide

Please follow instructions below to minimize delays

## **Contractor Questionnaire – Long Form**

Access and complete the [Contractor Questionnaire – Long Form](#)

- Fill out ALL sections completely
  - Ensure the company's **legal business name** is used and spelled the same throughout ALL submitted documentation (questionnaire, license, disclosures, etc.)
  - “Principal” must be listed by full name on the questionnaire
  - ONLY the Principal can sign the questionnaire and all other documents
  - The “**References**” section must be completed in its entirety:
    - Provide no fewer than 3 references
    - Relationships and comments should be included
    - Examples of references include: Suppliers/Lenders that provide lines of credit for required material, former customers\*, etc.
- \*\*\*Client references: The general contractor should have an online presence that is easily identifiable and includes customer reviews*
- **General Contractor and Specialty License Information Section:**
    - Provide relevant licensing info for General Contractor and, when applicable, company information for any Subcontractors that will be completing specialty work
      - Specialty licensing subject to verification to ensure local state & municipal requirements are met



# Document Guide

Please follow instructions below to minimize delays

## **W-9 Form:**

- Complete all fields of the most recent [W-9 Form](#)
- ONLY the Principal can sign

## **Licenses:**

- Provide current, unexpired Contractor's License
- If completing specialty work (such as Electrical, Plumbing, or HVAC) that requires a specialty license, provide current & unexpired specialty license(s)
- If exempt from licensing or specialty licensing requirements, complete the "[Exemption Form](#)" & provide the reason for exemption (subject to verification)

## **Using Subcontractors?**

- Provide name and contact information for contractors completing specialty work
- If exempt from Worker's Compensation Insurance, please provide each Subcontractor's General Liability Certificate of Insurance

## **Business Registration:**

- REMN will verify that the Company Name is properly registered with the Secretary of State
- If exempt from registering, please indicate on the "[Exemption Form](#)" & provide the reason for exemption (subject to verification)

## **Payment Terms:**

- THE 203(K) STANDARD PROGRAM DOES NOT ALLOW ANY FUNDS AT CLOSING. THE HUD CONSULTANT WILL HELP DETERMINE THE DRAW SCHEDULE. ANY QUESTIONS? PLEASE DISCUSS PAYMENT TERMS BASED ON PROGRAM WITH THE MORTGAGE BROKER



# Bid, SOR, and Project Evaluation

Please follow instructions below to minimize delays

## **HUD Consultant – Specification of Repairs**

- Although you may write up a Bid, Contractor Bids are not required documentation on a 203(k) Standard Loan
- REMN instead requires a 3<sup>rd</sup> party HUD Consultant's Report (SOR). The Contractor will ultimately need to agree to the figures and terms of this report. It is highly suggested that you communicate with the Consultant to work out the details of the report
- For more information, please discuss with the Mortgage Broker

# SAMPLE Contractor Bid

# ABC Contractors

56789 Construction Way, Anytown, CA 9000

License #: 123456

800-222-9999

*Borrower name & property address required*

|                |         |
|----------------|---------|
| Proposal #:    | 12345   |
| Proposal Date: | 6/12/23 |

**Client:**  
Mr. & Mrs. Customer

**Project Location**  
1234 Oak Street, Anytown, CA 9000

*Detailed itemization required for labor and material*

| Item   | Description   | Labor      | Material   | Contracted Amount  |
|--|---|------------|------------|--------------------|
|  | <i>Detailed description of each item</i>  | \$350.00   | \$154.00   | \$504.00           |
| Common Line Item questions- Please be detailed, Other questions may apply.                   |   |            |            | \$0.00             |
|  | ▪ Painting Job – Where is the painting being done? How many coats of paint/ primer will be applied?                               | \$1,200.00 | \$625.00   | \$1,825.00         |
|  | ▪ Installing Flooring – What type/grade/finish of flooring? Where will it be installed?   | \$6,500.00 | \$3,200    | \$9,700.00         |
|  | ▪ If you are removing something will it be replaced?  |            | \$85.00    | \$85.00            |
|  | ▪ If you are installing something, where will it go?  |            |            |                    |
|  | ▪ Kitchen Cabinets – What type/color?   | \$250.00   | \$1,239.10 | \$1,489.10         |
|  | ▪ Kitchen Counter – What type/finish?   |            |            |                    |
|  | ▪ Sink/Faucet – What type/grade/finish?   | \$250.00   | \$1,603.10 | \$1,853.10         |
|  | ▪ HVAC /Furnace installation – Size/Type being installed?   | \$250.00   | \$1,603.10 | \$1,853.10         |
|  | ▪ New Appliances – Type/Make/Model/Color  | \$3,275.00 | \$5,600.00 | \$8,875.00         |
|  | ▪ Demo of Walls – Are they load bearing walls? Permits?   |            |            |                    |
|  | ▪ Drywall – Where is it being installed?  | \$2,500.00 | \$1,250.00 | \$3,750.00         |
|  | ▪ Outlets – How many being installed? What locations?   |            |            |                    |
|  | ▪ Shingles – What type of shingles?   | \$1,000.00 | \$500.00   | \$1,500.00         |
|  | ▪ Water Damage – Location? What is the source of the water damage? Is it fixed? Will it be fixed?                                 | \$650.00   | \$150.00   | \$800.00           |
|  | ▪ Door Installation – Location? What grade door? Hollow door or Steel?  | \$450.00   | \$35.00    | \$485.00           |
|  | ▪ Carpet – What rooms? Please include the grade of carpet.  | \$350.00   | \$50.00    | \$400.00           |
|  | ▪ Lights – Location of installation? What type?   | \$125.00   | \$100.00   | \$225.00           |
|  | ▪ Siding – Type? Location?  |            |            |                    |
|  | ▪ Molding – Type? Location?   |            |            |                    |
|  | ▪ Plumbing – What specifically are you doing and what type of material? Hot and Cold water lines? Toilet, tub, shower lines? Etc. |            |            |                    |
| <i>If any permits, please list them in separate line item and describe what they are for</i> |   |            |            |                    |
| <b>TOTAL:</b>  |   |            |            | <b>\$31,491.20</b> |

*There are no structural repairs being completed on this bid*

*Represents total labor & material costs*

*NOTE: Expiration Dates on Bids are not permitted*

## Acceptance

My signature below is my acknowledgement that I/we have read this proposal, understand the terms and conditions of this proposal, and agree to be bound thereby. I understand my acceptance of this proposal forms a binding contract between myself and ABC Contractors. Acceptance and Agreed:

*Borrower and Contractor signatures required*

Borrower Signature

Date

Contractor Signature

Date