

NOTICE TO CONTRACTOR RENOVATION CONTRACTOR DISCLOSURE

Your client has applied for a renovation loan with Planet Home Lending, LLC (hereafter referred to as PHL). In conjunction with the Renovation application, a Contractor Validation is required. A PHL Representative is required to disclose to you the following PHL Renovation loan and contractor requirements that must be followed.

Renovation Loan and Contractor Requirements

1. I understand that the Contractor Validation package must be completed and returned to PHL in order for the Contractor Validation process to begin.
2. I have received a copy of the Homeowner/Contractor Agreement. I understand that the Homeowner/Contractor Agreement represents a legally binding contract and that the provisions of this Agreement will control all aspects of the borrower's renovation loan with PHL.
3. I understand there are no funds available for up-front start-up costs. All renovation loan funds are disbursed after work has been completed in a workmanlike manner and inspected by a qualified third-party inspector.
Note: Down-payment for major special order items, such as windows, cabinets, flooring, etc., may be eligible for upfront funds with an invoice from the supplier.
 - Materials cannot be paid for until they have been acceptably installed.
 - A 10% holdback will be retained from each draw disbursement and released when the project has been acceptably completed, inspected and a determination has been made that there are no outstanding mechanic's liens.
4. If loan is a Limited 203(k) Renovation Loan, item #3 is not applicable.
5. All disbursements will be made by a two-party check to the contractor and the borrower/homeowner.
6. I understand that any changes made to the original project's scope of work must be submitted in writing on a Change Order Form and approved by PHL. I understand there will be no funds available for work changes unless such changes are **approved in advance** of the work being completed.
7. No renovation work is to be started on the home until the contractor has been validated, the renovation loan has closed, and the Mortgage/Deed of Trust has been recorded. Work must then begin on the project within 30 days of loan closing. Work stoppages cannot exceed 30 days during the renovation period.
8. I, as the contractor, have completed the enclosed forms and provided the additional requirements:
 - Copy of Contractor's license, if state applicable.
 - Insurance Agent information on Renovation Contractor Statement.

The undersigned contractor fully understands and agrees to the above items.

Company Name (print)

Contractor (print)

Date

Contractor Signature