

# mid-island

m o r t g a g e c o r p

*Serving the Industry Since 1959*

## Contractor's Acknowledgement Limited Program

Contractor: \_\_\_\_\_

Borrower(s): \_\_\_\_\_

Subject property address: \_\_\_\_\_

As contractor for the above captioned transaction, I acknowledge that I/we have the capacity to perform all work as specified, and understand the terms under which I will be expected to perform. These terms are outlined below:

- Upon closing borrower's loan, all rehabilitation funds will be available for initial disbursement within approximately 7-10 days. Contractor and borrower should schedule the start of work accordingly.
- Under the *limited* program, lender may release up to 50% of the actual rehabilitation costs as outlined in your estimate, not to exceed \$15,000. This initial draw is provided to offset the cost of material for this transaction only. NOTE: If work permits are required for the scope of work as per your signed permit certification form, funds will be held until all applicable permits have been provided.
- Upon completion of all specified work, a final inspection will be ordered accordingly and upon receipt of the final inspection and borrower's signed mortgagor's letter of completion, lender shall verify through updated title search, that no mechanic's or material liens have been recorded on subject property. Upon receipt of clear title review, lender will forward the final release of funds along with all previous holdbacks as described above. Should a lien be reflected on title, no further funds may be released until a resolution has been reached between all parties, as outlined in Homeowner/Contractor Agreement.
- Any disputes between parties during any phase of construction should be discussed immediately with Mid-Island 203k management. If a resolution is not agreed upon, both parties will be required to enter into a binding arbitration hearing, as per outlined in the Homeowner/Contractor agreement.
- Continued delays and/or poor workmanship may result in the contractor being removed from the project and replaced with another contractor and may result in a forfeiture of any funds not previously disbursed.
- As per FHA 203k guidelines, all specified work must begin no later than 30 days after closing and should be completed within six months. If needed, 30 day extensions may be granted by lender upon receipt of written request signed by contractor and borrower(s). The request should outline the reason for the extension and the anticipated final completion date.

This acknowledgement will be incorporated and made part of the transaction captioned above.

I certify that I have read and understand the requirements that I must meet throughout the rehabilitation period and agree to cooperate in full with Mid-Island Mortgage Corp.

\_\_\_\_\_  
Contractor's Signature

\_\_\_\_\_  
Date:

**900 Merchants Concourse, Westbury, NY 11590 • 516-348-0600 • 718-895-1234 • Fax  
516-832-8135**

Mid-Island Mortgage Corp. NMLS #1259 ([www.nmlsconsumeraccess.org](http://www.nmlsconsumeraccess.org))