

**DEFERRED PAYMENT LOANS
TO MAKE
CRITICAL HOME REPAIRS**

April 2006

Rights and Responsibilities of Owner, Contractor & ASSIST Inc

The Owner understands that ASSIST Inc is not a party to the Bid Proposal submitted by the contractor(s) or the approval by the Owner of the work and amount specified and does not act as the agent for either the Owner or Contractor. The Owner, ASSIST Inc and Contractor(s) with approved Bid Proposals agree that the Rights and Responsibilities of each include the following:

Owner shall:

- Receive a copy of all rehabilitation documents signed by the Owner and Contractor(s)
- Receive written Bid Proposal from Contractor(s) prior to making a final selection of the Contractor(s) to do the work
- Choose the Contractor(s) to do the work (If the owner selects a Contractor other than the low bidder, the owner may be asked to pay any price difference between the low bidder and the selected bidder.)
- Sign the Bid Proposal(s) from the Contractor(s) accepting the bid and the Home Repair Contract before loan closes and work proceeds.
- Sign a Notice to Proceed to contractor(s) after the 3 day right of rescission ends
- Approve any extension of time to complete the work granted to the contractor
- Approve the Contractor's work before payment is made to the Contractor
- Receive a copy of warranties or guarantees furnished by the Contractor
- Cooperate with the Contractor(s) to facilitate performance of the work
- Permit the contractor(s) to use, at no cost to the contractor, existing utility services necessary to perform the work
- Pay for Title and Credit Reports if loan is not obtained.
- Allow for inspections by ASSIST

Please provide the following information:

- Verification of income (last 3 months income)
- Copy of current or year end mortgage statement
- Copy of property tax notice
- Copy of homeowners insurance certificate
- Deferred Payment Loan Application

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Contractor(s) shall:

- Prepare and submit to the Owner (along with a copy to ASSIST) a Bid Proposal for the work described in the Work Description prepared by ASSIST.

- Include in the Bid Proposal dates for accepting the bid, starting the work, and completing all work.
- Perform all work in conformance with the Uniform Building Code and all other applicable building codes or regulations
- Comply with all Federal, state and local nondiscrimination and other regulations and requirements.
- Perform all work in a professional manner
- Obtain all necessary permits and inspections required for execution of the work
- Provide the owner with clearance from any liens resulting from the work.
- Maintain comprehensive public liability insurance and worker's compensation insurance coverage.

ASSIST Inc shall:

- Explain the loan requirements and process to the Owner
- Review the housing repairs needed with the owner, including the owner's list of problems and repairs noted from a house inspection.
- Provide a Work Description on the repair or replacement of critical components in the home.
- Obtain a Property Title Report and Credit Report in preparation for the loan consideration. Credit problems do not necessarily mean that a loan would be denied. Adequate equity in the home is the main requirement for securing the loan. We recognize that many low income homeowners might have credit problems but this should not necessarily disqualify them from obtaining a deferred payment 0% loan to repair critical problems in their homes.
- Request, receive and review Bid Proposals for the work needed from licensed contractor(s)
- Act as an informal mediator, if requested, between the Owner and the Contractor in the event that problems arise during the contract.

I have read the above Rights and Responsibilities and agree to follow them.

Signed _____
Borrower (printed) _____

Date

Signed _____
Co-Borrower (printed) _____

Date