

Renovations Loan Contractors Information

Contractors Bid Instructions

HUD 203K has specific guidelines for contractor's bid. HUD has 35 categories. All categories must provide details that will be reviewed and approved by the 203K HUD consultant and lender's underwriting.

- HUD 35 categories
- Each category requires
 - Scope of work
 - Quantity
 - Description of materials
 - Separate material and labor costs
 - Please include contractor's margin for all material & labor costs
- Permit costs must be itemized.
- Other soft costs such as architectural and engineering costs can be included.

HUD 203K Construction Bid Categories

Categories	Detail	Labor	Material	Amt
1. MASONRY				
2. SIDING				
3. GUTTERS & DOWNSPOUTS				
4. ROOF				
5. SHUTTERS				
6. EXTERIORS				
7. WALKS				
8. DRIVEWAYS				
9. PAINT (EXT.)				
10. CAULKING *				
11. FENCING				
12. GRADING				
13. WINDOWS				
14. WEATHER-STRIP *				
15. DOORS (EXT.)				
16. DOORS (INT.)				
17. PARTITION WALL				
18. PLASTER/DRYWALL				
19. DECORATING				
20. WOOD TRIM				
21. STAIRS				
22. CLOSETS				
23. WOOD FLOORS				
24. FINISHED FLOORS				
25. CERAMIC TILE				
26. BATH ACCESSORIES				
27. PLUMBING				
28. ELECTRICAL				
29. HEATING				
30. INSULATION *				
31. CABINETS				
32. APPLIANCES				
33. BASEMENTS				
34. CLEAN-UP				
35. MISCELLANEOUS				

* Weather strip, caulking must be included. Any opening or exposed exterior wall must include insulation.

HUD 203K Contractor's Checklist

Project Address: _____

Client: _____

Thank you for participating in the HUD 203K Construction Loan program. This program has some important financial considerations.

Please check the following items indicating your full understanding.

____ **Draw Inspections** – Funds are only released from lender based on verified completion of work. This may require contractor to have working capital to cover initial expenses. Consultant will conduct draw inspections to verify integrity of work, code compliance and completes paperwork to submit for payment.

____ **Lien Waiver** – Contractor must sign a conditional lien waiver for all draws.

____ **10% Holdback** – All draws will retain 10% of the total draw amount. The total of all holdbacks (10%) will be released upon verified final draw inspection and clearance of lien(s).

____ **Contingency Reserves** – Construction loan will establish a contingency reserve in the amount from 10% to 20% of the cost of rehabilitation. This reserve is available for additional construction costs caused by deficiencies (health, safety and necessity) discovered during rehabilitation.

____ **Change Orders** - 203K program provides allowance of change orders that may draw additional funds from the reserve. All change orders must include detailed documentation, including receipts & permits. All work must be 100% completed before release of funds.

____ **Completion Timeline** – Contractor must provide timeline for completion. Construction must start within 30 days of funding. HUD requires all construction to be completed within 6 months of funding.

Company Name: _____

Address: _____

City: _____ State _____ Zip _____

Contact: _____

License: _____

Signature: _____ Date: _____