

CITY OF RIALTO
Rialto Blueprint for Better Living: Mobile Home Repair Loan Program
LOAN ACCEPTANCE AGREEMENT

Owner:

Property: [address]

Decal (License)

No.:

Contractor:

Contract Amount:

Loan Amount:

CONDITIONS OF LOAN APPROVAL:

- 1. PROGRAM FUNDING AND RELATIONSHIP OF THE PARTIES TO THE TRANSACTION.** The Rialto Blueprint for Better Living: Mobile Home Repair Loan Program ("Program") was established to provide financial assistance for the repair of eligible owner-occupied manufactured homes in the City of Rialto ("City"). Funding for the payment of Program activities inclusive of the above specified Contract Amount are derived in part or in whole from California CalHome Program. The City is not a party to the Contractor Agreement ("Agreement"), however the City is responsible for the expenditure of CalHome funds in conformance with all applicable state, and local requirements. In fulfillment of these obligations and responsibilities, the City monitors the scope of work performed, the procurement of contract services, the contract inclusions, the improvements performed, the disbursement process, and other CalHome related requirements.
- 2. PURPOSE OF LOAN.** Loan funds shall only be used to pay for repairs to the above Property as stipulated in the Agreement dated [date], 20__, between the above Owner and Contractor. The Owner has carefully reviewed said Agreement and has indicated his/her acceptance of its terms by their signing of the Agreement (Attachment No. 1 - Contractor Agreement).
- 3. INDEMNIFICATION.** Owner shall at all times indemnify and hold harmless the City and any and all of its respective officers, employees, agents and representatives, from and against all claims, suits, damages, costs, losses and expenses, (including, but not limited to fines, penalties, litigation costs, and attorneys' fees) arising out of or connected with any and all work performed by Contractor under any agreement executed pursuant to the Program.
- 4. DISBURSEMENT OF LOAN FUNDS.** The City will pay the Contractor on behalf of the Owner for satisfactory performance of the Contractor Agreement, payable as set forth in the General Conditions of the Agreement. The Owner shall not be reimbursed for work performed by the Owner. Any work which is not included in the Agreement and/or work not performed in accordance with the Agreement will not be paid for by the City. The Owner authorizes the City to disburse funds for the payment of amounts due under the Agreement directly to the Contractor.

Payment request packages shall be submitted to the City for approval. Such payment request

packages shall be in the format described in Section 2 of the General Conditions – Attachment “B” of the Agreement. All items of repair authorized by the Agreement and approved by the City may be paid after request for payment has been received and an inspection of such work by a City Building & Safety Division Inspector and/or Program Representative confirms that the work is satisfactory.

5. **TRANSFER OF LOAN.** Owner acknowledges that this loan has been authorized on the basis of information provided by Owner in their Program application and on the basis of Owner’s eligibility for the program. And that the information provided by Owner is true and accurate. This loan shall not be transferable in the event Owner sells the manufactured home prior to or during the course of Contractor’s performance of the work pursuant to the Agreement. In such event, Owner agrees to be liable for all costs incurred to repair the Property, thereby relieving City from any payment obligation for any labor or materials on and after the date escrow closes on the property sale.
6. **COMMENCEMENT OF WORK.** Owner acknowledges that rehabilitation work shall not commence until all permits are issued and a written notice to proceed is issued by the City in connection with the approved Agreement. Owner agrees that the City will not be responsible for or reimburse Owner for any and all funds advanced to the Contractor by the Owner. Owner agrees that materials purchased, work commenced or construction agreements signed prior to the effective date of the Agreement are solely Owner’s responsibility, and are not eligible for reimbursement by City pursuant to the Program.

APPLICANT AFFIDAVIT/ACCEPTANCE OF CONDITIONS OF LOAN APPROVAL:

I/WE, as the Applicant(s) and Owner(s) of Manufactured Home to be repaired through the Rialto Blueprint for Better Living: Mobile Home Repair Loan Program do hereby acknowledge, agree to and accept, all conditions of loan approval as stated above. I/WE, further understand that any misstatements, omissions, misrepresentations, deletions, falsifications, or other actions which result in MY/OUR not conforming to the conditions listed above or complying with the terms of any program related requirements, including but not limited to any contract, application or affidavit, will subject MY/OUR application to immediate cancellation and cause any disbursed funds to become immediately due and payable by Owner, and may result in legal action against the Owner.

Owner

Date

Owner

Date

Attached: Contractor Agreement

CITY OF RIALTO
Rialto Blueprint for Better Living: Mobile Home Repair Loan Program
CONTRACTOR AGREEMENT

THIS CONTRACTOR AGREEMENT ("Contract") is made this ____ day of _____, 20__, by and between _____ ("Contractor"), and _____ ("Owner").

WITNESSETH, that the parties, for the considerations stated herein, mutually agree as follows:

- A. The Contractor shall furnish all supervision, technical personnel, labor, materials, machinery, tools, equipment, fixtures, and services, including transportation services, and perform and complete all work required for the home repair and improvement in an efficient and workmanlike manner, in strict accordance with this Contract.
- B. Funding for payment by the City of Rialto ("City") of the Contract price shall be derived in part or in whole from CalHome Program funds. Contractor shall be paid for satisfactory performance of this Contract in the sum of _____ dollars (\$_____), payable as set forth in the General Conditions attached hereto as Attachment "B". Satisfactory performance shall be defined as rehabilitation work, identified in the signed and accepted copy of the Work Description and Bid Proposal Form (Attachment "A"), which has been completed by Contractor, inspected by appropriate City representatives, and accepted in accordance with Contract conditions, terms and provisions.
- C. This Contract includes the following attachments:
1. Notice to Owner
 2. Signed and accepted copy of the Work Description and Bid Proposal Form (Attachment "A")
 3. General Conditions (Attachment "B")
 4. Schedule of Progress Payments (Attachment "C")
 5. Notice of Three Day Right to Cancel
 6. Mechanics Lien Warning

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be executed in an original and two (2) copies on the day and year first above written.

Contractor Signature

Owner

License No. and Classification

Owner

NOTICE TO OWNER

You are entitled to a completely filled in copy of the Contract, signed by both you and the contractor, before any work may be started.

You have the right to require the contractor to have a performance and payment bond.

☐

The law requires that the Contractor give you a notice explaining your right to cancel. Initial the checkbox if the contractor has given you two copies of a "Notice of the Three Day Right to Cancel."

In the event that Owner chooses to exercise their Right to Cancel, the Notice of Cancellation may be forwarded to the Contractor at the address listed on Page 1 of this Contract.

Information about the Contractors' State License Board (CSLB):

CSLB is the state consumer protection agency that licenses and regulates construction contractors. Contact CSLB for information about the licensed contractor you are considering, including information about disclosable complaints, disciplinary actions and civil judgments that are reported to CSLB.

Use only licensed contractors. If you file a complaint against a licensed contractor within the legal deadline (usually four years), CSLB has authority to investigate the complaint. If you use an unlicensed contractor, CSLB may not be able to help you resolve your complaint. Your only remedy may be in civil court, and you may be liable for damages arising out of any injuries to the unlicensed contractor or the unlicensed contractor's employees.

For more information:

Visit CSLB's Web site at www.cslb.ca.gov

Call CSLB at 800-321-CSLB (2752)

Write CSLB at P.O. Box 26000, Sacramento, CA 95826

WORKERS' COMPENSATION INSURANCE

This contractor:

- ☐ has no employees and is exempt from workers' compensation requirements.
- ☒ carries workers' compensation insurance for all employees.

A copy of the contractor supplied certificate of workers' compensation insurance coverage is attached to this Notice.

COMMERCIAL GENERAL LIABILITY INSURANCE

This contractor:

- ☐ does not carry commercial general liability insurance
- ☒ carries commercial general liability insurance written by:

You may call the insurance company at ()
to check the contractor's insurance coverage.

A copy of the contractor supplied certificate of general liability insurance coverage is attached to this Notice.

ATTACHMENT "A"

CITY OF RIALTO

Rialto Blueprint for Better Living: Mobile Home Repair Loan Program

[Attach signed and accepted copy of the Work Description and Bid Proposal Form]

ATTACHMENT "B"

CITY OF RIALTO **Rialto Blueprint for Better Living: Mobile Home Repair Loan Program**

GENERAL CONDITIONS FOR CONTRACTOR AGREEMENT (Hereinafter referred to as "General Conditions")

Section 1 - Commencement of Work

No work shall be commenced by the Contractor until he/she has received a written notice to proceed from the City of Rialto ("City"). Any work commenced by the Contractor prior to the issuance by the City of a Notice to Proceed shall not be paid through the Rialto Blueprint for Better Living: Mobile Home Repair Loan Program ("Program").

The City will issue a written notice to proceed within thirty (30) calendar days from the date of Contract execution, provided the Contractor has complied with the provisions of Sections 3, 9, and 11.

- A. The Contractor must commence work within ten (10) days after the issuance of the notice to proceed, or within a reasonable period of time as mutually agreed upon in writing by the Owner and the Contractor.
- B. The Contractor must satisfactorily complete the work within thirty (30) business days after the issuance of the notice to proceed, or within a reasonable period of time as mutually agreed upon in writing by the Owner and the Contractor.

Section 2 - Payment for Work

- A. The Contractor may submit one (1) progress payment request. A five percent (5%) retention will be identified on the invoices and withheld from all progress payments. Final payment and release of retention will be made after satisfactory work has been completed and signed off by the Owner as complete.
- B. The Contractor shall submit payment request packages to the Owner for approval. Said payment request packages shall include all pertinent invoices, material and lien releases, certifications, a list of subcontractors and materialmen, copies of applicable permits, and the payment request form to be signed by the Owner. Contractor's submission to Owner for final payment must also include the Owner's Certification of Acceptance, a copy of the Building & Safety sign off card, and the Notice of Completion.
- C. Each payment request will be paid by the City within thirty (30) days after the request for payment has been received by the City and an inspection by a City Building & Safety Division Inspector and/or Program Representative confirms that the work is satisfactory. A deduction in the amount listed on the schedule of prices (in the Work Description and Bid Proposal Form) will be made for any portion of the work listed in the payment request that does not pass inspection.
- D. Owner and Contractor acknowledge the City controls disbursement of funds for payment of the Contract price to Contractor, pursuant to the above-stated payment arrangement.

- E. Owner and Contractor agree to hold harmless, defend and indemnify City from any claim for failure to pay pursuant to the above-stated payment arrangement. City shall bear no responsibility to Owner for any lien(s) placed upon the subject residence. Contractor agrees to hold harmless, defend and indemnify Owner from any claim for unpaid work, labor, or materials with respect to Contractor's performance.

Section 3 - Contractor's Liability Insurance

Contractor and all subcontractors shall procure and maintain at their expense, during the term of this Contract, the following insurance:

- A. Worker's Compensation Insurance, providing coverage as required by the California State Worker's Compensation Law.
- B. Comprehensive general liability insurance with coverage of not less than One Million Dollars (\$1,000,000.00) combined single limit per occurrence for bodily injury, personal injury and property damage, naming the City as an additional insured.

Contractor shall provide written proof of the existence of the above insurance in the form of a Certificate of Insurance acceptable to the City. Contractor is responsible for assuring that the insurance carrier will notify the City in writing ten (10) days before the cancellation of such insurance.

Section 4 - Contractor Indemnification

Contractor shall indemnify, defend and hold harmless the Owner, City, and any and all of City's respective officers, employees and agents from any and all actions, suits, claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities, including attorney fees and costs that may be asserted or claimed by any person, firm or entity arising out of or in connection with the work, operations or activities of Contractor, its agents, employees, subcontractors, or invitees, provided for herein, or arising from the acts or omissions of Contractor hereunder, or arising from Contractor's performance of or failure to perform any term, provision, covenant or condition of this Contract, excluding only willful misconduct of the Owner or City and its officers, agents or employees.

Section 5 - Independent Contractor

Neither the City, nor any of its representatives, nor the Owner shall have any control over the manner, mode or means by which Contractor, its agents or employees, perform the services required herein, except as otherwise set forth. Contractor shall perform all services required herein as an independent contractor and shall remain at all times as to City a wholly independent Contractor with such obligations as are consistent with that role. Contractor shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City or Owner.

Section 6 - Not Agent of City

Contractor shall have no authority, expressed or implied, to act on behalf of the City in any capacity whatsoever as an agent, nor shall Contractor have any authority, express or implied, pursuant to the CalHome Residential Rehabilitation Program, to bind the City to any obligation whatsoever.

Section 7 - Liabilities

Contractor shall assume all responsibility for damages to property or injuries to persons, including accidental death, which may be caused by Contractor's negligent performance of any and all work conducted under the CalHome Residential Rehabilitation Program, whether such performance be

by Contractor, its subcontractors or agents, or whether such damage shall accrue or be discovered before or after termination of Contractor's Agreement to perform the repairs authorized under the Program.

Contractor shall not assert a claim against the City, its officers, agents or employees arising out of any act or omission of the aforementioned, in the execution or performance of any agreement pursuant to the Residential Rehabilitation Program.

Contractor shall require each subcontractor to agree in its contract for services not to make any claim against the City, its officers, agents or employees.

Nothing in any Agreement executed pursuant to the CalHome Residential Rehabilitation Program, in which the Owner and Contractor are parties, shall be construed to give any person other than Owner and Contractor any legal or equitable rights, remedies, or claims.

Section 8 - Inspection by Department

City shall be permitted to inspect work performed by Contractor to ensure that the work is performed in accordance with the provisions of this Contract and applicable general and local law and codes. The City shall be permitted at all reasonable times to inspect and review all relevant data and records of Contractor. Contractor agrees to retain and provide to City, access to any books, documents, papers and records for audit or examination for a minimum of three (3) years after final payment and all other pending matters relative to the performance of this Contract are closed.

Section 9 - Permits and Codes

Contractor agrees to secure and pay for all permits and licenses required, and to adhere to applicable codes and requirements, whether or not covered by the specifications and drawings for the work, including State of California Contractor registration requirements.

Contractor shall perform all work under the Contract in conformance with applicable laws, ordinances, regulations, and orders, whether or not such applicable laws, ordinances, regulations, and orders are set forth in this Contract or the attachments thereto.

Section 10 - Unacceptable Risk

Contractor represents that at the time of execution hereof that neither Contractor nor its subcontractors are listed on the Excluded Parties List System (EPLS) of the U.S. General Services Administration (GSA).

Section 11 - Materials and Workmanship

Except as otherwise noted, Contractor shall provide and pay for all materials, labor, tools, and other items necessary to complete the work. Contractor warrants that all services will be performed in a competent, professional and satisfactory manner in accordance with industry standards, and unless otherwise specified, all materials used in connection with the work to be performed shall be new, fit for the purpose intended, and both workmanship and materials shall be of good quality.

Unless otherwise stated all colors, textures, styles and materials shall be of the Owner's choosing.

All workmen and subcontractors shall be skilled in their trades. And licensed if applicable.

Contractor shall provide Owner and City with the names, addresses and applicable licenses of all subcontractors to be utilized for the work prior to the start of construction.

Section 12 - Amendments

Owner and Contractor expressly agree that any amendment of this Contract including but not limited to material changes or alterations in the work or price as provided above, must be made in writing, mutually agreed upon by both parties and approved by the City.

Section 13 - Extension of Time of Completion

The time of completion of the Contract shall be extended by the number of calendar days which Contractor or subcontractor are prevented from performing work as a result of:

- A. Inclement weather;
- B. Acts of Owner not contemplated by this Contract;
- C. The unavailability of workers or materials because of labor disputes;
- D. Circumstances which could not reasonably have been foreseen at the time of signing this Contract; and
- E. Delay of any subcontractor for any of the above causes.

If completion is delayed for reasons beyond Contractor's control, Contractor shall provide timely notice to Owner of the reasons for the delay and shall be obligated to substantiate its claim by adequate documentation.

If Contractor fails to complete the work within the time period set for performance, Owner may seek resolution through the procedure identified in Section 18.

Section 14 - Assignment and Delegation

Contractor shall not assign any right under this Contract except upon prior written authorization of the Owner and City. Any request for assignment must be addressed to the Owner and City for their approval before consent is given. Contractor shall not make any delegation of authority or responsibility, which would in any way purport to relieve him/her of any obligation imposed by this Contract.

Section 15 - Warranty of Title

Contractor shall guarantee good title to all materials, supplies, and equipment installed or incorporated in the work. Upon completion of all work, Contractor shall deliver such work, together with all improvements and appurtenances constructed or placed pursuant to this Contract, to owner free from any claims, liens, or charges.

Section 16 - Guarantee of Work

No provision of this Contract (including the final payment) nor the use of the improvements constructed hereunder, shall relieve Contractor of responsibility from faulty materials or workmanship. Contractor hereby agrees to provide a full one-year warranty to the Owner, which shall extend to subsequent owners.. The warranty shall provide that improvements, hardware and fixtures of whatever kind or nature installed or constructed by Contractor are good quality, and free from defects in materials and workmanship; provided, however, that the warranty set forth in this Section shall apply only to such deficiencies and defects as to which Owner or subsequent Owner shall have given written notice to Contractor, at the address identified at Section 27 below, within one (1) year from the date of the City's final payment. Upon notice from the Owner, Contractor shall repair or remedy any defect in materials or workmanship, and pay for

any damage from such defects subject to the warranty contained in this Section.

Notwithstanding the foregoing one-year warranty period, new or replacement roofing installation shall be similarly guaranteed for a period of five (5) years.

Contractor shall furnish to Owner all manufacturer's and supplier's written guarantees and warranties covering materials and equipment furnished under this Contract.

Contractor agrees that all the warranties contained herein shall apply to all work performed pursuant to this Contract, including work performed by any subcontractor.

Section 17 - Equal Opportunity Provisions

A. During the performance of this Contract, the Contractor agrees to comply with the following federal provisions:

- (1) During the performance of this Contract, the Contractor agrees not to discriminate against any employee or applicant for employment because of race, religion, sex, color, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, religion, sex, color or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Contractor setting forth the provisions of this nondiscrimination clause.
- (2) Section 3 of the Housing and Community Development Act of 1968, as amended, 12 U.S.C. 1701 et seq., requires that to the greatest extent feasible, opportunities for training and employment be given to lower income residents of the project area and contracts for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part by persons residing in the area of the project.
- (3) Title VI of the Civil Rights Act of 1964 provides that no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.
- (4) Section 109, Title I of the Housing and Community Development Act of 1974 provides that no person shall, on the ground of race, color, national origin, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part under this Title.
- (5) Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975, or with respect to an otherwise qualified handicapped individual, as provided in Section 504 of the Rehabilitation Act of 1973, shall also apply to any such program or activity.

B. Contractor agrees to include the above provisions in every subcontract for work in connection with this project.

Section 18 - Disputes

Any dispute arising out of or relating to this Contract, or the breach thereof, shall be submitted to binding arbitration in accordance with the provisions of the California Arbitration Law, Code of Civil Procedure 1280 et seq., and/or the Rules of the American Arbitration Association. The arbitrator shall have the final authority to order work performed, to order the payment from one party to another, and to order who shall bear the costs of arbitration. Costs to initiate arbitration shall be paid by the party seeking arbitration. Notwithstanding, the party prevailing in any arbitration proceeding shall be entitled to recover from the other all attorney's fees and costs of arbitration.

Section 19 - Other Contractors

During the time for performance of work under this Contract, the Owner shall not have other contractors or workmen within the portion of the premises where work is to be performed by Contractor, without prior written permission of Contractor. This restriction shall not apply if Contractor is in default under this Contract.

Section 20 – Lead-Based Paint Products

In compliance with 24CFR Part 570.611 of Community Development Block Grant regulations, lead-based paint products shall not be used.

Section 21 - Protection of Property

Contractor shall ensure that Contractor and their employees and subcontractors provide adequate protection to the homeowner(s) property, both interior and exterior, during the construction process. This includes covering the furniture and protecting the flooring during sanding and painting, protecting outdoor plants during sandblasting and painting, etc. Contractor shall not use the Owner's personal property such as towels, sheets, shovels, tools, etc. Contractor must supply their own tools, furniture covers and any other supplies necessary. Contractor shall coordinate with the Owner regarding which items of furniture need to be removed prior to commencement of work.

Contractor shall keep the premises free from accumulation of waste material and rubbish and, at the completion of work, they shall remove, from the premises, all rubbish, implements, surplus materials, and surplus equipment. Contractor shall leave the building and the premises in a clean and sanitary condition.

Section 22 - Contingency Amount

No contingency amount is available. If Owner or Contractor incurs expenditures in excess of the Contract price, City shall not be responsible to pay the additional cost.

Section 23 - Contract Documents

The Contract shall include:

1. Contractor Agreement; and,
2. Signed and accepted copy of the bid and proposal, property rehabilitation work write-up and standard specifications; and,
3. These General Conditions; and,
4. Schedule of Progress Payments; and,
5. Notice of Three Day Right to Cancel; and,
6. Mechanics Lien Warning.

Section 24 - Additions or Deletions to Contract

In the event a change is required in the scope of work to be done, the Contractor shall prepare a change order request indicating the change for addition, deletion, or deviation from the original contractor agreement. Said change order request shall be signed by the Contractor and be approved in writing by the Owner and the City before Contractor proceeds with the work.

Section 25 - Source of Funds

The City has applied for and received California Homebuyer's Assistance Program (CalHome) funds through the 2023 Homeownership Super Notice of Funding Availability (NOFA) from the California Department of Housing and Community Development (HCD). Such funds are being utilized for this project.

Section 26 - Conflict of Interest

Contractor covenants that neither they nor any officer of the corporation, or partnership (as the case may be if Contractor be corporation or partnership), has any interest, nor shall they acquire interest, directly or indirectly, which would conflict in any manner with the performance of Contractor's services under this Contract. Contractor further agrees that in the performance of this Contract, no person having an interest of the above nature shall be employed by them.

No officer, employee, or member of the governing body of the City who exercises any function or responsibilities connected with this Contract shall have any financial interest, direct or indirect, in this Contract.

Section 27 - Notice

Any notice required to be given, under this Contract shall be in writing and shall be personally served or given by mail. Any notice by mail shall be deemed to have been given when deposited in the United States mail, certified and postage prepaid addressed to the party to be served as follows:

To Owner:

To Contractor:

To City: City of Rialto
Rialto Blueprint for Better Living: Mobile Home Repair Loan Program
150 S. Palm Ave.
Rialto, CA 92376

Section 28 - Successors

This Agreement shall be binding on and inure to the benefit of the heirs, executors, administrators, successors and assigns of the respective parties to it.

Section 29 - Order of Priority of Contracts

The provisions of this Contract shall have priority over all other contracts and Agreements concerning the work described herein.

Section 30 - Expediency

Time is of the essence of each and every covenant, term, condition and provision of this Contract as to both parties hereto.

Section 31 - Entirety of Agreement

It is understood that there are no oral agreements between the parties hereto affecting this Contract, and this Contract supersedes and cancels any and all previous negotiations, agreements and understandings, if any, between the parties hereto, and none shall be used to interpret or construe this Contract.

Section 32 - Acknowledgment

All warranties herein are in addition to and not in limitation of all other rights and remedies to which Owner, and subsequent Owners, may be entitled to at law or in equity, and shall survive the conveyance of title, delivery of possession of the property, or other final settlement made by Owner and shall be binding on the undersigned notwithstanding any provision to the contrary contained in any instrument heretofore or hereinafter executed by Owner. Contractor hereby acknowledges that this Contract, in completed form, has been provided to and approved by the City.

For the consideration named herein, Contractor proposes to furnish all the materials and do all of the work described herein, for the price of _____ dollars and _____ cents (\$XX,XXX.XX).

Name (Print) Contractor

Name (Print) Owner

Contractor Signature

Owner Signature

Contractor's License Number

Name (Print) Owner

Contractor Address

Owner Signature

Contractor City, State, Zip Code

Owner Address

Contractor Telephone Number

Owner City, State, Zip Code

Owner Phone Number

Date of Acceptance

**HOME IMPROVEMENT CONTRACT
SCHEDULE OF PROGRESS
PAYMENTS
ATTACHMENT "C"**

CITY OF RIALTO

**Rialto Blueprint for Better Living: Mobile Home
Repair Loan Program**

☐ Original Schedule

☐ Progress Payment Schedule Amendment No. _____

OWNER NAME: _____

PROJECT ADDRESS: _____

CONTRACTOR: _____

License No. _____

The schedule of progress payments must specifically describe each phase of work, including the type and amount of work or services scheduled to be supplied in each phase, along with the amount of each proposed progress payment.

IT IS AGAINST THE LAW FOR A CONTRACTOR TO COLLECT PAYMENT FOR WORK NOT YET COMPLETED, OR FOR MATERIALS NOT YET DELIVERED. HOWEVER, A CONTRACTOR MAY REQUIRE A DOWNPAYMENT.

In accordance with the Contract, each progress payment amount is subject to retention of five percent (5%) of the contract value of the work completed at the time of payment.

Progress Payment No. 1	
Work/Services to Be Completed	Contract Amount
Total Amount for Completion of the above specified work	

Progress Payment No. 2	
Work/Services to Be Completed	Contract Amount
Total Amount for Completion of the above specified work	

Progress Payment No. 3	
Work/Services to Be Completed	Contract Amount
Total Amount for Completion of the above specified work	

NOTICE OF RIGHT TO CANCEL

Notice of Cancellation

(Enter date of transaction)

You may cancel this transaction, without any penalty or obligation, within three (3) business days from the above date.

If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within ten (10) days following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be canceled.

If you cancel, you must make available to the Contractor (at your residence), in substantially as good condition as when received, any goods delivered to you under this contract or sale, or you may, if you wish, comply with the instructions of the Contractor regarding the return shipment of the goods at the Contractor's expense and risk.

If you make the goods available to the Contractor and the Contractor does not pick them up within twenty (20) days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation.

If you fail to make the goods available to the Contractor, or if you agree to return the goods to the Contractor and fail to do so, then you remain liable for performance of all obligations under the Contract.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice, or any other written notice to:

(Contractor)

(Contractor Mailing Address)

(Contractor Email Address)

not later than midnight of _____
(Date)

I hereby cancel this transaction _____
(Date)

(Owner's Signature)

(Owner's Printed Name)

MECHANICS LIEN WARNING

Anyone who helps improve your property, but who is not paid, may record what is called a mechanics' lien on your property. A mechanics' lien is a claim, like a mortgage or home equity loan, made against your property and recorded with the county recorder.

Even if you pay your contractor in full, unpaid subcontractors, suppliers, and laborers who helped to improve your property may record mechanics' liens and sue you in court to foreclose the lien. If a court finds the lien is valid, you could be forced to pay twice or have a court officer sell your home to pay the lien. Liens can also affect your credit.

To preserve their right to record a lien, each subcontractor and material supplier must provide you with a document called a '20-day Preliminary Notice.' This notice is not a lien. The purpose of the notice is to let you know that the person who sends you the notice has the right to record a lien on your property if he or she is not paid.

BE CAREFUL. The Preliminary Notice can be sent up to 20 days after the subcontractor starts work or the supplier provides material. This can be a big problem if you pay your contractor before you have received any Preliminary Notice.

You will not get Preliminary Notices from your prime contractor or from laborers who work on your project. The law assumes that you already know they are improving your property.

PROTECT YOURSELF FROM LIENS. You can protect yourself from liens by getting a list from your contractor of all the subcontractors and material suppliers that work on your project. Find out from your contractor when these subcontractors started work and when these suppliers delivered goods or materials. Then wait 20 days, paying attention to the Preliminary Notices you may receive.

For other ways to prevent liens, visit CSLB's website at www.cslb.ca.gov or call CSLB at 1-800-321-CSLB (2752).

REMEMBER, IF YOU DO NOTHING, YOU RISK HAVING A LIEN PLACED ON YOUR HOME. This can mean that you may have to pay twice, or face the forced sale of your home to pay what you owe.