

IMPORTANT NOTICE REGARDING CONTINGENCY FUNDS

A contingency fund is for the sole purpose of unforeseen issues that develop as a result of the proposed scope of work detailed in the lender approved agreements. Therefore, the contingency fund is NOT authorized to be used for work that is unrelated to the scope of work in the lender approved agreements.

FURTHERMORE, THE FUNDS CAN ONLY BE USED WITH APPROVAL FROM THE LENDER PRIOR TO THE WORK BEING PERFORMED.

Borrower's Initials / _____

Contractor's Initials / _____

In order to request lender approval for any qualified changes, Borrower(s) and Contactor must submit to Towne Mortgage Company a fully completed and executed change order request using the Fannie Mae HomeStyle Change Order Form which will be provided to you upon request. You may submit this completed form to:

Towne Mortgage Company by e-mail at: renovation@townemortgage.com

Or by mail at: 2170 East Big Beaver Road

Suite A

Troy, MI 48083

If your request is approved by the Towne Mortgage Company, you will be notified by in writing or by phone. PLEASENOTE: DO NOT BEGIN WORK WITHOUT NOTICE OF APPROVAL BY THE LENDER.

IF THE BORROWER ALLOWS ADDITIONAL WORK TO BE PERFORMED WITHOUT PRIOR WRITTEN LENDER APPROVAL THEN THE PAYMENT TO THE CONTRACTOR FOR ANY CHANGES IS SOLELY THE RESPONSIBILITY OF THE BORROWER.

By signing below, you are acknowledging that you understand the procedures and requirements for the use of the contingency funds and fully accept your responsibility as stated above.

Borrower's Signature: _____ Date: _____

Co-Borrower's Signature: _____ Date: _____

Contractor's Signature: _____ Date: _____