

LOAN NO. _____

INCOMPLETE REPAIRS AGREEMENT

THIS AGREEMENT, between _____, hereafter referred to as "The Company", _____ seller(s) and _____ Mortgagor(s), has been entered into because of certain work and/or repairs required to be completed prior to settlement. Notwithstanding the fact that this work and /or repairs has not been completed at this time, the Company has agreed to settle this loan with the understanding that the funds held under the terms of the Agreement are solely for the protection of the Company, as mortgage, to maintain both the value of the property as security for the loan and the marketability of the loan on the secondary mortgage market. The terms of this agreement are as follows:

1. _____ has given to the Company to be held by it in a non-interest bearing account to insure the completion of work and/or repairs as specified in this Agreement.
2. The funds that are being held come from the mortgage proceeds, which the parties hereto acknowledge have been completely disbursed.
3. The work and/or repairs to be completed are as follows:

4. Borrower(s) _____ covenants in good faith to complete, or cause to be completed, such work and/or repairs by the due date in a workmanlike manner. The work and/or repairs shall be completed no later than _____. **NO EXTENSIONS WILL BE GRANTED WITHOUT THE WRITTEN CONSENT OF THE COMPANY IN ITS SOLE DISCRETION.** At that time, contact the Company so that it may arrange for an inspection.
5. If the Company is satisfied that the work has been completed in a workmanlike manner satisfactory to the Company and in compliance with municipal and governmental regulations, and the value of the property as collateral for the mortgage loan is fully protected, it will release the escrow funds as follows: (a) first, to pay for inspections and other costs and expenses incurred by the Company in connection herewith; (b) second, to pay the contractor(s) who performed the work; and (c) third, the remaining funds, if any to _____.
6. In the event the work is not completed in a manner satisfactory to the Company by the required date, the Company is authorized (but not obligated) to engage the services of a contractor to complete the remainder of the work and otherwise take steps, as the Company deems necessary or advisable to preserve the value of its collateral. All monies due the contractor plus fees for permits and certifications will be taken from the funds held hereunder. If there are not enough funds available to pay for the necessary work, the Buyer and Seller agree, jointly and severally, to deposit with the Company, within 5 days written notice, any additional amount required to complete the repairs. The Company shall have no obligation of any kind whatsoever either (a) to provide any of its own funds to pay for any of the required work and/or repairs or (b) to seek to obtain additional funds from either Buyer or Seller to finance the completion of such work and/or repairs. In the event that repairs are not completed to the satisfaction of the Company within the permitted time period, the Company shall have the right to apply the escrow funds against the outstanding principal balance due under the loan. The Company shall also have the right, at its option, to declare the loan to be in default and accelerate the full amount of the debt.
7. The mortgagor agrees to allow access to the property for the purpose of having the necessary work completed, and/or have an inspection made between the hours of 8:00 a.m. to 6:00 p.m., Monday through Saturday.

8. The mortgagor acknowledges that the Company has no responsibility for, and is not party to any arrangements made between the Seller, mortgagor or any contractor in which the Company does not hire, and further acknowledges that the Company is authorized to disburse the funds when the work has been completed to the Company's satisfaction, whether or not the other parties to this Agreement have approved the work and/or repairs. The Company assumes no duty of care to Buyer and Seller and makes no guaranty, representation, and/or warranty of any kind whatsoever, to Buyer or Seller regarding the value, condition, quality or suitability of the property or the work and/or repairs. The sole duty and responsibility of the Company shall be to hold and disburse the funds it holds in accordance with the terms of this Agreement. An election by the Company to retain a contractor to complete the work and/or repairs is undertaken solely for the protection of the Company, as mortgage. The Company will not be liable for any entry, trespass or damage, or for the quality of work performed. Upon release of the funds, the Company shall be released from any and all obligations and liabilities under this Agreement.
9. The Company is authorized to deduct a fee from the funds held under this Agreement for each inspection performed by its authorized representative. The Company is also authorized to deduct from the funds such sums as may be necessary to reimburse it for costs and expenses incurred in connection herewith.
10. The Seller and the mortgagor agree to use their best efforts to see that no additional liens are placed against the mortgaged property until such time as the funds have been released.
11. Seller(s) Address: _____
 Seller(s) Phone #: _____
 Mortgagors Phone #: _____
12. The Company's decision with respect to any/all matters regarding this agreement will be final.
13. In the event this Agreement is not performed within the time limit set forth above, the Company shall have the right to engage counsel and otherwise take any action which the Company, in its sole and absolute discretion, deems appropriate in order to effectuate compliance with this Agreement and to protect the value of its collateral and the Buyer and Seller shall be jointly and severally liable for any and all expenses, including but not limited to attorneys fees and expenses, incurred by the Company in connection therewith.
14. In the event that conflicting demands are made upon the Company concerning the escrow funds, Buyer and Seller authorize the Company to hold any monies and documents deposited hereunder until it receives mutual instructions in writing from or until a civil action determining the disposition of the funds has been finally concluded in a court of competent jurisdiction. The Company may, in its discretion, commence a court action to interplead any conflicting demands, depositing with the court all documents and funds (after deducting there from all expenses and attorneys fees incurred in connection with such action) whereupon the Company, as escrow agent, shall be relieved of all liabilities or obligations hereunder.
15. If checked, a "Rider To Incomplete Repairs Agreement" is attached and made a part thereof.

MORTGAGOR DATE

SELLER DATE

MORTGAGOR DATE

SELLER DATE

MORTGAGOR DATE

SELLER DATE

MORTGAGOR DATE

SELLER DATE