

FHA 203K(S) Initial Disbursement Request

Date: _____ Loan# _____ FHA Case # _____

Borrower(s): _____

Property Address: _____

City: _____ State: _____ Zip Code _____

Contractor: _____ Total Contract Amount: \$ _____

Initial Disbursement Request Amount: \$ _____

(Initial disbursement may not exceed 50% of total contract amount and may only include actual cost of materials and permits)

The above referenced borrower(s) hereby request an initial release of funds held in escrow by _____, it's successors and/or assigns (hereinafter referred to as "Lender") for materials required for completing improvements and/or renovations on Contract or Homeowner/Contractor Agreement (hereinafter referred to as "Contract") by and between the contractor named in said contract and borrower dated _____. The undersigned hereby authorizes lender to release an advance of up to 50% of the amount listed in the contract for the purpose of defraying the cost of materials required to complete the work set forth in said contract. The undersigned authorizes the release of said funds directly to contractor.

Contractor herein certifies that it has and will meet all applicable jurisdictional licensing and bonding requirements, if any apply. It also certifies that it cannot or is not willing to defer payment until completion of the project and that said amount is necessary for the inception of the project. If requested by lender, contractor agrees that it shall provide an invoice from all suppliers of material for this project, prior to the release of any funds by lender.

Borrower and Contractor agree and certify that the amount of this release of funds and any liens is acceptable to both parties. Contractor also agrees and certifies that these funds will be used only for materials necessary for the inception and completion of improvements located on

the above described real property, all as described in the contract referenced herein. By acceptance of the disbursement amount set forth herein, Contractor hereby releases and discharges, and by these present these present does hereby release and discharge the above described real property from any and all liens held by the undersigned, its successors, assigns and subcontractors. In signing this 203K(S) Initial Disbursement Request and Release, it is the intent of Contractor to release any and all liens and claims which might arise from this initial disbursement and, therefore, Contractor agrees to indemnify and hold harmless lender from any and all sums owing or claimed to be owed by any party who has performed work on the above described real property in regard to this initial disbursement.

By their signatures below, the undersigned hereby acknowledge the matters set forth in the above certification. **ALL SIGNATURES REQUIRED PRIOR TO RELEASE OF FUNDS.**

Borrower's Signature	Date	Co-Borrower's Signature	Date
_____	_____	_____	_____

Contractor Signature	Date
_____	_____

Contractor/Company Name: _____

Mailing Address: _____

Telephone Number: _____

DE Underwriter's Acknowledgement of Above Certificate

DE Underwriter Signature	Date
_____	_____

DE Underwriter Name: _____

CHUMS ID#: _____

Correspondent/Broker Name _____

Phone Number: _____ **Email:** _____