



ADDENDUM TO HOME IMPROVEMENT CONTRACT

Table with 3 columns: BORROWER, CO-BORROWER, FILE #

For Internal Use Only

ADDENDUM TO HOME IMPROVEMENT CONTRACT (CHF Residential Energy Retrofit Program)

This Addendum to Home Improvement Contract ("Addendum"), dated as of ... 20 ... forms a part of and is incorporated into that certain Home Improvement Contract (the "Contract"), dated ... 20 ... by and between ("Contractor"), and ("Owner"), concerning certain improvements ("Improvements") to be made to residential real property located at ... California (the "Property").

In the event of any conflict or discrepancy between the terms and provisions of the Contract and this Addendum, the terms and provisions of this Addendum shall control. All capitalized terms not otherwise defined in this Addendum shall be defined as set forth in the Contract.

A. CHF Not a Party or Guarantor. Owner and Contractor acknowledge and agree that:

- i. CRHMFA Homebuyers Fund ("CHF") is a lender only, and is not a party to the Contract.
ii. Contractor is not in partnership with or affiliated with CHF, and Contractor is not an agent, representative, contractor, subcontractor or employee of CHF.
iii. Contractor has no exclusive rights to perform the Improvements. Owner is encouraged to review the CHF approved contractor list, available to Owner through CHF, to identify other contractors who may be available to perform the Improvements.
iv. CHF does not guarantee Contractor's work, any representations or warranties made by Contractor or any energy or utility bill savings as a result of Contractor's work.
v. Contractor is deemed an "approved contractor" under the CHF Residential Energy Retrofit Program because contractor satisfied minimum eligibility requirements and participated in CHF Residential Energy Retrofit Program informational training.
vi. Owner and Contractor agree to hold and save harmless CHF from any and all liability, loss, cost or damage of any kind arising out of the Contractor's work or the Contract.

CHF is an express, intended third party beneficiary of the agreements, obligations, terms and conditions of this section A.

The CHF Residential Energy Retrofit Program is sponsored by CRHMFA Homebuyers Fund (CHF), a California Joint Powers Authority. Funding for the program is made possible through a grant award from the Energy Commission Energy Resources Conservation and Development Commission of the State of California. Program restrictions apply. Call CHF at (855) 740-8422 for details.



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B. **Compliance with Laws.** Contractor shall ensure that Contractor, and its employees, officers, agents, suppliers, representatives, permittees and invitees fully comply, at all times, with all laws, regulations, rules and orders applicable to the work and activities of Contractor on the Property, whether now existing or hereafter enacted, by any federal, state or local governmental authority or agency having jurisdiction over the Property, conditions existing on the Property or over the work performed by Contractor on the Property (each, a "Law" and collectively, "Laws"). Contractor shall not commence or conduct any work and/or activity on the Property until all permits and approvals required for such work and/or activity by any governmental entity have been obtained, and shall strictly comply with the terms and conditions of such permits and approvals.

C. **Financing Contingency.** Contractor and Owner shall not be bound under the Contract unless:

- i. Owner receives formal loan approval from CHF for a Loan through the CHF Residential Energy Retrofit Program ("**CHF Loan**") in an amount that, when coupled with any grants/rebates also obtained by Owner, is not less than the amount required to be paid by Owner under the Contract; and
- ii. Contractor receives from CHF a "Notice of Loan Approval."

If Owner is not approved for a CHF Loan, the Contract shall automatically terminate.

D. **Conditions to Owner's Obligation to Pay.** Owner shall have no obligation to pay Contractor until:

- i. The work to be performed by Contractor pursuant to the terms and conditions of the Contract is complete;
- ii. A final energy audit has been performed and accepted by CHF in satisfaction of the final energy audit portion of CHF's loan funding criteria;
- iii. Contractor has delivered to Owner (with copies to CHF) lien releases that will, upon full payment to Contractor, be effective to waive and release all mechanics' and materialmen's liens in connection with or related to the work; and
- iv. Contractor has delivered all documents to the extent required to be delivered by Contractor to satisfy CHF Loan funding criteria.

If, through no fault of Owner, the conditions set forth above are not satisfied within CHF Loan funding time requirements, and CHF terminates the CHF Loan, then the conditions to Owner's obligation to pay set forth above shall be deemed not satisfied.

E. **Owner's Obligation to Pay Energy Audit Fees.** Subject to Owner's receipt of a grant or grants from CHF for energy audit fees, Owner shall pay to Contractor, in addition to the cost of the Improvements set forth in the Contract, energy audit fees as discussed herein. Two energy audits will be performed, an initial energy audit to be performed prior to the installation of the Improvements, and a final energy audit to be performed after the installation of the Improvements.

The fee for the initial energy audit shall not exceed \$\_\_\_\_\_.

The fee for the final energy audit shall not exceed \$\_\_\_\_\_.

Owner shall not be liable for fees or costs related to any follow-up audits which may be required for any reason, including, but not limited to, failure of the final energy audit to satisfy CHF Loan funding criteria. In no event will Owner be liable for the energy audit fees if the final energy audit does not ultimately satisfy CHF Loan funding criteria.

[Signatures on following page]

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**IN WITNESS WHEREOF**, Owner and Contractor have executed and delivered this Addendum as of the date first set forth above.

<b>OWNER(S)</b>	SIGNATURE		DATE
	NAME OF OWNER(S)		
	MAILING ADDRESS		
	CITY	STATE	ZIP
	ATTENTION		
	PHONE		

<b>CONTRACTOR</b>	SIGNATURE		DATE
	NAME OF CONTRACTOR REPRESENTATIVE		
	NAME OF COMPANY		
	MAILING ADDRESS		
	CITY	STATE	ZIP
	PHONE (      )      -		

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