

Working with Participants

In this session we will try to learn to identify and work through the stumbling blocks that can and will come up while guiding families through the construction of their homes. Hopefully you will be able to head off most of the challenges before they ever become a problem through communicating with the participants.

In addition to the families you will be working with, the Group Coordinator and Construction Supervisor are the keys to having a successful program.

By definition the RD 523 T.A. grant is predicated upon the basis of “Mutual Self-Help”. According to the Instruction 1944-I, “Mutual Self-Help” is “the construction method by which participating families organized in groups of generally 4 to 10 families utilize their own labor to reduce the total construction cost of their homes. Participating families complete construction work on their homes by an exchange of labor with one another. The mutual self-help method must be used for the new construction.”

Group Coordinator Duties

The group coordinator (recruiter, loan packager), by definition, has two primary functions:

- Direct the agency’s pre-construction phase, recruitment
- Prepare and submit loan docket to the Rural Development office

The group coordinator typically does most of the family recruiting, even though other staff members can share this task.

The self-help group coordinator’s duties generally include:

- Outreach and public relations campaigns
- Screening applicants for interest in and eligibility for the program
- Coordinating pre-construction meetings
- Completing and filling loan applications with Rural Development
- SHARES Reporting

Construction Supervisor Duties

The construction supervisor is responsible for training and guiding the participants through the construction of their mutual self-help homes. The construction supervisor does not build homes for the families. The construction supervisor shows the families how to handle the tasks necessary to construct their own homes.

The construction supervisor cooperates with the other staff members and **may** be responsible for all or some of the following operations.

- Assists in the site selection process
- Assists during the pre-construction family meetings
- Prepares accurate estimates of the construction costs
- Develops contracts for subcontractors and price guarantees with suppliers
- Maintain field records and accounts
- Trains group in construction methods
- Supervises the project and attempts to keep it on schedule

Holding Participants Meetings

It is important that even after construction starts the participants continue to hold meetings on a regular basis. At these meetings the Construction Supervisor should review the progress of the homes, the future plans, and current problems should be discussed. These meetings provide the perfect opportunity for the participants to renew their motivation, air out their differences, continue their education on becoming homeowners, or acquire new building skills that they will need.

These meetings can be held anytime and anywhere, although it is not recommended that they be held at the construction site where there are so many other distractions. **If time allows, the Group Coordinator should also attend.**

Dealing with Problems

The family agreement must contain a formal set of grievance procedures. The “grievance procedures” must recognize the possibility of problems between the group members, problems between the construction supervisor and the group, between the group and the agency and the group and Rural Development staff

The procedure to resolve a problem must be logical and just. If faced quickly and directly, the group can resolve most of the problems occurring among the group’s members.

When a problem interrupts construction progress, the construction supervisor and/or group coordinator must act quickly to eliminate the source of the problem. The members should be encouraged to bring concerns to the regular scheduled group participant meetings. The preferred outcome of this meeting is for the group to agree on how the problem should be resolved in accordance with the membership agreement.

It can never be stressed enough that once the participants sign the membership agreement, all parties, including the grantee and staff, must follow and comply with the terms of the agreement.

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Appendix 10: Building Group Membership and Labor Agreement

BUILDING GROUP

This agreement is entered into on the ___ day of _____, 20___, between the members of building group _____, commonly known as

(Group #)

(Name of Building Group)

and hereinafter referred to as the "BUILDING GROUP MEMBERS" and _____

(Name of Self-Help Grant Recipient)

hereinafter referred to as "SELF-HELP GRANT RECIPIENT." The principal location of building group _____ is _____

(Group #)

(Address, City/Town/County, State)

The SELF-HELP GRANT RECIPIENT is an eligible entity, which provides technical assistance and management services for building group members under the mutual Self-Help Housing Program.

The SELF-HELP GRANT RECIPIENT is not acting as a "contractor" on behalf of BUILDING GROUP MEMBERS, but as a Rural Development grant manager and technical advisor. BUILDING GROUP MEMBERS, as homeowners and builders, are acting as their own general contractor. The BUILDING GROUP MEMBERS agree to hold the SELF-HELP GRANT RECIPIENT harmless for any purchases, even though such purchases may have been made by the SELF-HELP GRANT RECIPIENT on behalf of the BUILDING GROUP MEMBERS.

The purpose of the Agreement is to foster the smooth accomplishment of the BUILDING GROUP MEMBERS' goal of construction of houses. The BUILDING GROUP MEMBERS understand and agree with each other and with the SELF-HELP

GRANT RECIPIENT that this Agreement will control the progress of the project. Violation of any portion of this Agreement may result in implementation of Section VII of this Agreement. **Rural Development is not a party to this agreement.**

I. COMMITMENT

The SELF-HELP GRANT RECIPIENT agrees to provide technical assistance to the undersigned BUILDING GROUP MEMBERS as follows:

A. Pre-Construction Services

1. Locate and obtain control of suitable Rural Development building sites.
2. Recruit and determine preliminary eligibility of potential group members.
3. Prepare all loan application documents for submission to Rural Development and work with Rural Development on behalf of the applicants.
4. Assist the officers of the group in the fulfillment of their functions.
5. Arrange and present a series of informational meetings covering homeownership and related subjects. This series is normally referred to as the "Pre-Construction" meetings.

B. Construction Services

1. Provide house plans, which have been developed or acquired by SELF-HELP GRANT RECIPIENT and approved by Rural Development.
2. Direct, control, and implement construction on all of the members' houses.
3. Teach tasks to the members as necessary to build the houses according to the plans and specifications, within the allowed budgets.
4. To initiate contracts in the name of the members for materials and services to be purchased in accordance with the plans and specifications.
5. Provide bookkeeping services to maintain individual group member accounts, and to pay bills on behalf of group members from these accounts.
6. Lease power tools and special equipment as required on the job. (See Section VIII).
7. Present to the building group for approval, bids from outside contractors and suppliers to provide the materials and contracted work necessary to build the homes

according to plans and specifications. The selection of a supplier or contractor should be made only on the basis of quality, experience, completeness of bid, price, and past performance. (See Section VIII).

II. GROUP MEMBER COMMITMENT

The undersigned BUILDING GROUP MEMBERS agree to the following:

- A. To build their own homes in the SELF-HELP GRANT RECIPIENT'S construction program, using Rural Development and/or alternative financing.
- B. To use their labor to the extent required and to pay for all materials and contracted labor and services used in the construction of their home, according to the directions of the SELF-HELP GRANT RECIPIENT, including costs associated with lot development and costs shared with other participants.
- C. To purchase materials and contracted labor on a group basis whereby the building group utilized the same suppliers and contractors.
- D. To use their best efforts to meet construction goals and objectives established by the group and the SELF-HELP GRANT RECIPIENT in performance of this agreement.
- E. To work at all times in a safe manner, and to follow the Construction Supervisor's instructions in this regard.
- F. To work on any house in their group and at any job as required by the Construction Supervisor.
- G. To cooperate with other group members and the SELF-HELP GRANT RECIPIENT in the performance of the requirements as set forth in this agreement, and to conduct themselves at all times in a manner that will not disrupt or interrupt other group members in their performance of assigned tasks. It is agreed the Construction Supervisor has the authority to require removal from the job site of any individual whom the supervisor deems to be a disruptive influence to work requirements.
- H. To follow the plans, budgets, blueprints, specifications and instructions of _____ the SELF-HELP GRANT RECIPIENT and Rural Development in construction of their houses. (Change orders will only be allowed in accordance with Section XI following.)

- I. To allow the SELF-HELP GRANT RECIPIENT to solicit bids and not to negotiate with or direct the work, or otherwise interfere with subcontractors and suppliers, unless authorized to do so by the Construction Supervisor.
- J. To provide the SELF-HELP GRANT RECIPIENT written schedules of the hours they are available to work and to work the hours as assigned by the Construction Supervisor.
- K. To review requests for payment as submitted by the SELF-HELP GRANT RECIPIENT and to sign checks for payment, acknowledging that if legitimate bills are not paid, property is subject to liens in accordance with state law. (See Section III, A.10. following.)
- L. Not to move into the house that will become theirs or move personal property into that house until all the homes in the group are finalized by Rural Development and/or other appropriate officials.
- M. To purchase (Builder's Risk) Homeowners Insurance as required by Rural Development, to be in force beginning with the date of loan closing. (See Section XIII following)
- N. To attend all scheduled meetings as directed by the SELF-HELP GRANT RECIPIENT. (See Section V.D.4. following.)
- O. To work as directed by the Construction Supervisor.
- P. To attend all pre-construction training meetings offered by the SELF-HELP GRANT RECIPIENT.
- Q. To close their loan account within (30) days of final inspection by Rural Development, unless otherwise extended by Rural Development.
- R. To meet all other requirements as set forth in this agreement.

III. CONSTRUCTION RESPONSIBILITIES A. Labor Exchange Commitment

The building group members agree to exchange work labor in a cooperative manner, and to work jointly on all members' houses.

- 1. Each household will be required to put in a minimum of _____productive hours per week, or as many as necessary, as directed by the Construction Supervisor, to complete construction of the homes on schedule. Equal time will

be allowed for labor performed by members regardless of the approved type of work involved. It is further agreed that only the work hours of person's ___ years and older may count towards the ___ hours. We require that any delinquent hours be made up the week following their accrual unless prior arrangements have been made with the Construction Supervisor. **Accumulation of hours** – Families who accumulate more than the _____ hours required per week, may accumulate limited hours in a "family reserve." The accumulated hours may not exceed _____ hours per week above and beyond the _____ required hours. Families are only allowed to draw hours from the "family reserve" if they first clear it with the Construction Supervisor. The decision will be made on the basis of the nature of the request and the progress of the project. Additionally, families may donate any excess hours to other participating families with the approval of the construction supervisor.

2. Labor hours that count towards the minimum _____ hours per week requirement per household is labor that contributes to the construction of houses in the group. Labor hours do not include lunch breaks, coffee breaks, travel time, childcare for your own family, time away from the job site not on construction business, or time spent involved in non-productive conversation with others. One hour of credit per household will be allowed for each of the following: selection of finish flooring and counter tops, lighting fixtures, and landscaping. Work from non-group members must be scheduled by the Construction Supervisor prior to performance of the work. Any vacation or time off from construction must be pre-approved by the group and the Construction Supervisor. No previously earned labor hours in excess of the hours per week requirement can be used towards the current _____ hours per week requirement, without prior approval of the BUILDING GROUP MEMBERS and the SELF-HELP GRANT RECIPIENT.
3. Volunteer hours – Volunteers who perform work at the site, will work as scheduled by the Construction Supervisor. Volunteers will work on all houses in the group.

4. Labor that must be performed by building group members is listed as "Homeowner Labor" on the following chart, amounting to at least 65% of the total work tasks. Group members must perform a majority of the work for each task listed, in order to receive the percentage credit shown.

CONSTRUCTION LABOR DIVISION – SELF-HELP HOUSING

| | Subcontractor | Homeowner |
|-----------------------------------|----------------------|------------------|
| | Labor | Labor |
| 1. Excavation | | |
| 2. Footings, Foundations, | | |
| 3. Floor Slab or Framing | | |
| 4. Subflooring | | |
| 5. Wall Framing, Sheathing | | |
| 6. Roof & Ceiling Framing, | | |
| 7. Roofing | | |
| 8. Siding, Exterior Trim, Porches | | |
| 9. Windows and Exterior Doors | | |
| 10. Plumbing Rough-In | | |
| 11. Sewage Disposal | | |
| 12. Heating Rough-In | | |
| 13. Electrical Rough-In | | |
| 14. Insulation | | |
| 15. Dry Wall | | |
| 16. Basement or Porch Floor, | | |
| 17. Heating Finish | | |
| 18. Flooring | | |
| 19. Interior Carpentry, Trim, | | |
| 20. Cabinets and Countertops | | |
| 21. Interior Painting | | |
| 22. Exterior Painting | | |
| 23. Plumbing Finish | | |
| 24. Electrical Finish | | |
| 25. Finish Hardware | | |
| 26. Gutters and Downspouts | | |
| 27. Grading, Paving, Landscaping | | |
| Totals | | |

5. If a household becomes _____ hours behind during any three-week period or for the total minimum number of hours required at that period of construction, without approval of the Construction Supervisor, no additional materials will be ordered for their house. At this time, the member is required to meet with the Construction Manager and the Group Coordinator for approval of a written plan submitted by the member to bring labor hours current. When labor hours are brought current, the SELF-HELP GRANT RECIPIENT will again be authorized to purchase materials for their house.

If a household becomes _____ hours behind the total minimum number of labor hours, all work and associated activities on their house will stop. At this time the member is required to meet with the SELF-HELP GRANT RECIPIENT'S Housing Program Director and the Group Coordinator, with a written plan to bring labor hours current. Work may again start on their house when the household is no more than _____ hours delinquent, although no additional material is to be ordered for their house. When labor hours are brought current, the SELF-HELP GRANT RECIPIENT will be authorized again to purchase material.

If a household becomes __hours behind the required number of labor hours, expulsion from the group may occur, in accordance with Section VII of this agreement.

6. The Construction Supervisor will decide what work is to be completed by the members each day. The members agree to perform the work assignments made by the supervisor. Any member who performs work not assigned by the supervisor may not receive credit for labor hours, at the discretion of the Construction Supervisor. The Construction Supervisor may ask a member who refuses to perform an assigned task to leave the job site. Continued refusal may result in implementation of Section VII of this agreement. A member may not work alone unless the task can safely be done alone and he/she has the consent of the Construction Supervisor.

Any work by a member devoted exclusively toward that member's own house will not be credited toward the weekly work requirement, unless such work has been

assigned or approved by the Construction Supervisor. (Mutual self-help of an organized work team is stressed, not individual home building.)

7. If the household becomes verifiably disabled after construction starts, the group agrees to continue to help the participant construct its house, subject to the following provisions:
 - a. Disability claims must be verified in writing by a licensed M.D., stating specifically those construction tasks the claimant cannot perform. Tasks not prohibited in writing by the M.D. will be expected to be performed by the claimant, as assigned by the Construction Supervisor. Such tasks may not have been required prior to the claimed disability, and time worked on these tasks may or may not be included as contributing in their entirety to the required minimum hours to be worked each week by each member household subject to the discretion of the Construction Supervisor.
 - b. The household claiming to be incapacitated must provide the Construction Supervisor a written plan stating the name and the hours to be worked by those individuals who contribute the required make-up hours, to assure the household maintains its required work responsibility. All individuals thus named must sign an agreement to work the specified hours. The plan must be approved by a majority vote of the group members. The substitute labor must also be approved by the SELF-HELP GRANT RECIPIENT and the Rural Development State Director.
8. Action to be taken by the group following death of a head-of-household or spouse is to be determined by majority agreement at a meeting of the group, and is to include plans for completion of the group member's house. The plan is subject to approval by the SELF-HELP GRANT RECIPIENT prior to enactment.
9. Each household will complete a "Weekly Work Availability" form in which each household will plan their weekly minimum hour work schedule at the construction site. Completed schedules will be given to the Construction Supervisor one week or more in advance and all schedules will be posted at the construction site. The Construction Supervisor shall specify which of the available hours are required to

meet the construction goals for the week. The intent is to have a well-organized flow of work utilizing the best-varied abilities of the group members in order to assure proper job, contractor and material supplier scheduling. Group members will record their work hours and tasks daily at the job site, under the supervision of the Construction Supervisor and timekeeper, who will maintain records of such hours and jobs. Any conflict over work schedules or hours worked will be resolved by the Construction Supervisor.

10. Each member agrees individually, and all members agree collectively as a group, to abide by the purchase order system for ordering materials. The only persons authorized to order materials shall be designated by the SELF-HELP GRANT RECIPIENT.
11. If a household becomes _____ days delinquent in approving construction invoices, all work on the house will stop. No additional materials will be ordered until outstanding invoices are paid and the SELF-HELP GRANT RECIPIENT has assurance that delinquencies will not reoccur.
12. Each member agrees individually, and all members agree collectively as a group, to work on each other's houses together as a work team, as assigned by the Construction Supervisor. Group members may perform extra work in addition to that required by the Construction Supervisor, and will receive credit for this work, so long as it is for the benefit of the entire group, and is assigned by the Construction Supervisor.
13. If for any reason, families are not able to perform the required _____ hours of work, because of snow, storm, tornado, flood, or any other "acts of God," penalties listed in Section III, part A, number 4 will not be automatically enforced. Rather the participants will work with the Construction Supervisor to find a solution that is mutually acceptable.

IV. ELECTION OF OFFICERS

In order to function as a group, the following procedures will be followed:

- A. Officers shall be elected by the group for the life of the project and their duties shall include the following:

1. Group Facilitator – Shall chair all group meetings, and act as the main representative of the group.
2. Assistant Group Facilitator – Shall act for the Group Facilitator in his/her absence.
3. Timekeeper – Shall keep a record of all group members' timesheets and shall be responsible for submitting timesheets to the SELF-HELP GRANT RECIPIENT'S office on a weekly basis.

An additional and very important responsibility would be that of "material checker," to accept and check all supplies delivered to the group. This may be an elected position, or the duty of each member present.

- B. Officers may be recalled or replaced by a majority vote of the households.

V. GENERAL RULES OF THE GROUP

- A. In consideration of safety issues, children under the age of 16 shall not be allowed on the construction site without prior approval of the Construction Supervisor for each individual occurrence.
- B. Each member agrees that no member of the group may hire or pay anyone to do their work for them.
- C. Hours shall be recorded by the timekeeper after approval of the Construction Supervisor. Any conflict over number of hours worked will be resolved by the Construction Supervisor and/or Group Coordinator.
- D. The building group shall have a group meeting at least once every _____, as called by the Construction Supervisor, the majority of the group members, or the Group Coordinator. At least one the SELF-HELP GRANT RECIPIENT'S staff member will attend each meeting, and this may be the Construction Supervisor. Time spent at the group meeting will count towards the required labor hours only if required by the SELF- HELP GRANT RECIPIENT. Group membership meetings may also be called by the Program Director. Notice of any meetings shall be given to one of each household at least hours in advance.

1. One vote per house in construction is allowed and each household shall cast one vote.

The head-of-household or co-applicant may cast the vote.

2. A quorum consists of at least one vote per household at meetings in which half or more of the households are represented. When a quorum is present, the majority vote shall carry all motions, except as stated differently in the Agreement.

3. Each household has the responsibility of having at least one voting member of the household attending each group meeting, and any member household that misses more than two meetings may be subject to disciplinary action by the group, up to and including termination of the households voting rights.

4. The meeting location shall be assumed to be the job building site and all relevant conditions of this agreement shall apply at these meetings.

E. No one will be allowed on the building site while under the influence of alcohol or illegal and non-appropriate drugs, such as marijuana or opioids, nor will the drinking of alcoholic beverages or the use of illegal drugs at the job site be tolerated. Any incident involving alcohol or illegal drugs on the job is cause for automatic expulsion of the participant by the Program Director and termination of this agreement.

F. Each member agrees that they will be responsible for all materials, supplies, and other items purchased for their house regardless of the location of such materials, supplies or other items. Any theft, loss, breakage or damage is the responsibility of the member and replacement or repair will be made out of their loan funds.

G. The group members and families shall pay for all materials and contracted work purchased for benefit of their homes, including extra materials or overruns. The Construction Supervisor will allocate all materials, equipment, purchases, and contracted work between the households and this allocation shall be binding on each household.

VI. GRIEVANCE PROCEDURE

- A. Any claim, dispute or question raised by any group member or BUILDING GROUP MEMBERS shall be first brought to the attention of the Group Facilitator, discussed in a group meeting and settled then.
- B. If no resolution can be accomplished through the group meeting, the following grievance procedure shall be followed.

- 1. Before Construction

The grievance should be brought to the attention of the Group Coordinator assigned to the group. If no resolution can be made, the Program Director must receive the grievance in writing. If a resolution is again not reached, then the written grievance shall be referred to the SELF-HELP GRANT RECIPIENT'S Executive Director. If a resolution is again not reached, then the written grievance shall be referred to the SELF-HELP GRANT RECIPIENT'S Board of Directors for final resolution.

- 2. During Construction

The grievance should be brought to the attention of the Construction Supervisor. If a resolution does not follow then the grievance shall be referred to the SELF-HELP GRANT RECIPIENT'S Program Director. If a resolution is not reached again, then the written grievance shall be referred to the SELF-HELP GRANT RECIPIENT'S Executive Director. If a resolution is again not reached, then the written grievance shall be referred to the SELF-HELP GRANT RECIPIENT'S Board of Directors for the final resolution.

- C. If a claim is brought prior to completion of construction and occupancy of the residence by the group member(s), the foregoing shall be conditions precedent to arbitration. In any event, any claim, dispute, or question arising between the SELF-HELP GRANT RECIPIENT and the parties shall be subject to arbitration at the choice of any party. In the event either party elects arbitration, it shall serve a notice on the other party or parties, stating their grievance and desire to arbitrate, and the parties shall proceed in accordance with state law. A decision of the arbitrator shall be a condition precedent to the right of any other legal action. The cost of the arbitrator shall be born equally by all parties to the dispute.

D. The SELF-HELP GRANT RECIPIENT has agreed to provide technical assistance to the group members in construction of their housing. The SELF-HELP GRANT RECIPIENT does not charge group members for this service, and in return the group members agree that the SELF-HELP GRANT RECIPIENT shall have no liability for acts and omissions done in good faith. The SELF-HELP GRANT RECIPIENT shall have no liability of consequential or delay damages resulting from any act, omission, breach of contract, or negligence.

VII. TERMINATION PROCEDURE

Violations of the terms of this agreement will result in all expenditures for materials/labor being immediately halted until a satisfactory resolution is reached. If a satisfactory resolution cannot be reached or the same problem continues, expulsion from the group will be determined by the Grantee. Expulsion results in the loss of any rights under the terms of this agreement and the loss of building privileges under the SELF-HELP GRANT RECIPIENT’S self-help program. After expulsion, the member's rights concerning their house will be determined by Rural Development. In the event a group member, family or group members fail to meet the requirements of this agreement, the remedies afforded the BUILDING GROUP MEMBERS and Rural Development in this agreement are cumulative, and in addition to any other remedies afforded by law or otherwise.

VIII. CONTRACTS AND OBLIGATIONS

The group members and spouses are jointly and severally bound by the contracts they enter into, and agree to the terms thereof. The group members may not elect to exclude themselves from such contracts, but are irrevocably committed to them.

IX. SUPERVISION OF ACCOUNTS AND PAYMENT OBLIGATIONS

The undersigned families and group members agree to place their Rural Development loan proceeds and other funds into a designated bank account which is managed by the (SELF- HELP GRANT RECIPIENT). (Borrower Name) is

authorized to approve of all labor, materials, contracts, sub-contracts, liens, expenses, taxes, and other costs incurred for building their house. Only _____ (SELF-HELP GRANT RECIPIENT)

_____ may request draws on the group member’s Rural Development loan account and prepare checks for payment of all costs and charges attributable to construction of the participant’s home. These payments are to be authorized by the designated participants and Rural Development with supporting documentation provided by _____ (SELF-HELP GRANT RECIPIENT).

The group members and families agree to execute and deliver to (SELF-HELP GRANT RECIPIENT) any other document necessary to implement this agreement.

X. LEVY OF DUES

The group may agree by a majority vote to levy dues upon its members. Further, the group has sole custody and responsibility for any money, which it may earn or collect from its members for purposes of the group. These funds may be disbursed in any manner as determined by a majority vote of the group. The SELF-HELP GRANT RECIPIENT will not be accountable in any way for these funds.

XI. SUCCESSORS AND ASSIGNEES, JOINT AND SEVERAL LIABILITIES

The parties bind themselves, their spouses, heirs, successors, assignees, partners, and representatives to this agreement. The undersigned group members agree that this agreement is jointly and severally binding upon them, and that any liabilities and obligation, rights and duties created hereunder shall be joint and several to each signatory.

The undersigned families and group members agree to build according to blueprints and specifications provided by SELF-HELP GRANT RECIPIENT and approved by Rural Development. No change will be made in these plans without prior approval of Rural Development. Change order approval by participant or group members requesting the same hereby holds harmless its agents, employees and officers for any liability resulting there from.

XII. INSURANCE

Each group member or participant agrees to purchase Builders Risk Insurance as required by Rural Development and other lending institutions to be in force from the date of loan closing. This policy shall include sufficient individual liability coverage in an amount not less than _____. However, the SELF-HELP GRANT RECIPIENT may require a higher amount if it determines that this is necessary. The SELF-HELP GRANT RECIPIENT shall be given proof (binder) of insurance.

XII. ACCEPTANCE OF HOUSING/RELEASE

At the time of completion of the participant or group member's home, the head-of-household must inspect the home and at that time make any claim against SELF-HELP GRANT RECIPIENT or waive the right to do so by signing the Release and Hold Harmless Agreement attached to this agreement. (Addendum #3) SELF-HELP GRANT RECIPIENT will not approve the closing of an account prior to receiving the release. A participant or group member may not occupy their home prior to inspection and accepting the home, and delivering the executed Release and Hold Harmless Agreement to SELF-HELP GRANT RECIPIENT. It is agreed that any claims against SELF-HELP GRANT RECIPIENT will be made at this time, or will be forever barred.

XIV. TERMINATION OF AGREEMENT

This agreement shall be terminated with regard to each member and SELF-HELP GRANT RECIPIENT by the following conditions:

- A. After all families' houses have been completed, received final inspection and approval by Rural Development, all bills and credits have been settled, and the supervised bank accounts are closed.
- B. By signing below, I agree to all conditions of this Membership and Labor Agreement. I also declare that no statements, representatives, or any express or implied warranties of any nature whatsoever have been made to me by the SELF-HELP GRANT RECIPIENT. I further acknowledge that the SELF-HELP GRANT RECIPIENT agrees only to provide technical assistance and construction supervision set forth in this agreement, and shall have no liability for any damage, error or construction defect. In

the event that damage or defect must be remedied, the group members agree to repair the same using their own "self-help" and/or subcontractor labor, and to pay for materials and/or labor as required. I also acknowledge receipt of a copy of said Agreement for my personal files

GROUP MEMBERS

Date _____ Borrower _____

Date _____ Co-Borrower _____

By signing below, _____ agrees to all conditions of this
(SELF-HELP GRANT RECIPIENT)

Building Group Membership and Labor Agreement. _____ also
(SELF-HELP GRANT RECIPIENT)

declares that no statements, representations or any express or implied warranties of any
nature whatsoever have been made to this building group.

Date _____ Construction Supervisor

Date _____ Program Director

RELEASE AND HOLD HARMLESS AGREEMENT

I have inspected or had an opportunity to inspect my house and property, legally described as

Lot _____, _____.

(Address, City/Town/County, State)

I hereby release _____, its agents

(SELF-HELP GRANT RECIPIENT)

and employees, of any claim or liability with respect to the construction of said residence, whether known, or arising in the future.

I agree to indemnify and hold _____

(SELF-HELP GRANT RECIPIENT)

and its agents and employees harmless for any claim made against them by a third party with respect to construction of said residence.

Dated this ____ day of _____ 20_____.

By: _____

By: _____

The above information was explained to us and I/we understand and accept these conditions.

NAME

DATE

NAME

DATE

NAME

DATE

NAME

DATE

NAME

DATE

NAME

DATE

RECOMMENDED TOOLS

(One Set per Household)

25' to 30' – 1" measuring tape

Speed square

Hammer – 16 or 20 oz., straight or curved claw

Nail set

Chalk line and chalk Nail apron/Tool bag Work gloves

Safety glasses & earplugs

Flat pry bar

Utility knife with extra blades

Carpenter's pencils

Screwdrivers – flat and Phillips head

Shovel – round point

Construction shoes (good quality) Cat's-paw (nail puller)