



DRAW DISBURSEMENT PROCEDURES

[1] CFS Construction Draw Disbursement Request - Completed and Signed

- Complete the CFS Draw Request Form with the amounts placed within the proper budget line items and either email or fax to CFS with the appropriate backup as indicated below.
- If the Borrower has indicated their approval is required for each draw prior to disbursement, CFS will provide the homeowner with a list of items being requested and the associated percentages of completion. The homeowner's approval may be accepted by either a signature on the Draw Request Form or email confirmation.
- Upon loan approval and closing the builder may request an up-front deposit not to exceed 5% of the contract price. Any pre-paid deposits provided by the homeowner prior to the loan approval will be applied toward the maximum 5% allowed. No up-front deposits will be provided to subcontractors with exception to cabinetry and counter tops. If a subcontractor requires an up-front deposit the builder or homeowner must take the risk of providing the funds and upon completion of the work by the subcontractor, may submit the Signed Lien Waiver and associated Subcontractor Invoice[s] for reimbursement.
- Construction Financial Solutions will only disburse payments to the builder or homeowner if documentation is provided to show proof of payment requiring reimbursement. Thus paid receipts for materials and signed Lien Waivers with the associated Invoices to match from laborers are required. If the builder / borrower does not want to pay for costs up-front and request reimbursement they may provide CFS with the invoices and CFS will pay vendors and subcontractors directly.

[2] For payment to the Contractor / Builder, send:

- Materials:.....Paid Receipts
- Labor:.....[1] Receipts or [2] Completed and signed Lien Waivers with associated Subcontractor Invoice
- Admin. FeesInvoice from Builder

[3] For payments to the Subcontractor and/or Vendor, send Invoices which must contain:

- Company or Individual's Name
- Complete mailing address
- Phone number
- List of materials or work performed
- Homeowner's name or subject property's address

Send to Construction Financial Solutions

- Fax to:(210) 568-6314 or
- Email to:.....Draws@ConstructionFinancial.com

Include instructions for delivery [USPS mail, wire transfer, FedEx or pick-up]. If you are requesting a wire transfer, please ensure CFS has correct wiring instruction on file for your bank.

After receiving the above, CFS will order an inspection to verify the completion of the items in the draw request. Checks will be issued within 48 business hours of receipt based on the inspection report. Upon request, materials can be paid directly to vendors for materials within 24 hours of when the draw request is received. Inspections are required for all LABOR draws. A \$100.00 fee will be assessed and applied to the loan for each inspection. Also, a \$30 fee is applied to the loan for each money wire transfer and/or overnight shipment.

NOTE

- A [Certificate of General Liability or Personal Liability Insurance](#) is required before any labor draws will be disbursed [lot clearing, foundation preparation].
- A [Certificate of Builder's Risk Insurance](#) with Construction Financial Solutions as an additional insured is required before any labor draws will be disbursed [lot clearing, foundation preparation].
- A [Forms Survey](#) is required before concrete materials or labor draws will be disbursed. The ordering and payment of the forms survey is the builder's responsibility unless otherwise detailed within the builder's contract.
- In accordance with Texas Property Code, CFS will supply the homeowner with copies of all receipts, invoices and release of liens for each draw.