



CONVENTUS

CONSTRUCTION DRAWS ADMINISTRATION LOAN GUIDE



CONVENTUS

WELCOME

We are excited to work with you on your project and will work to make this process as smooth as possible. This packet is a comprehensive guide of what you can expect throughout the draws portion of your loan. Thank you for choosing Conventus to finance your project.

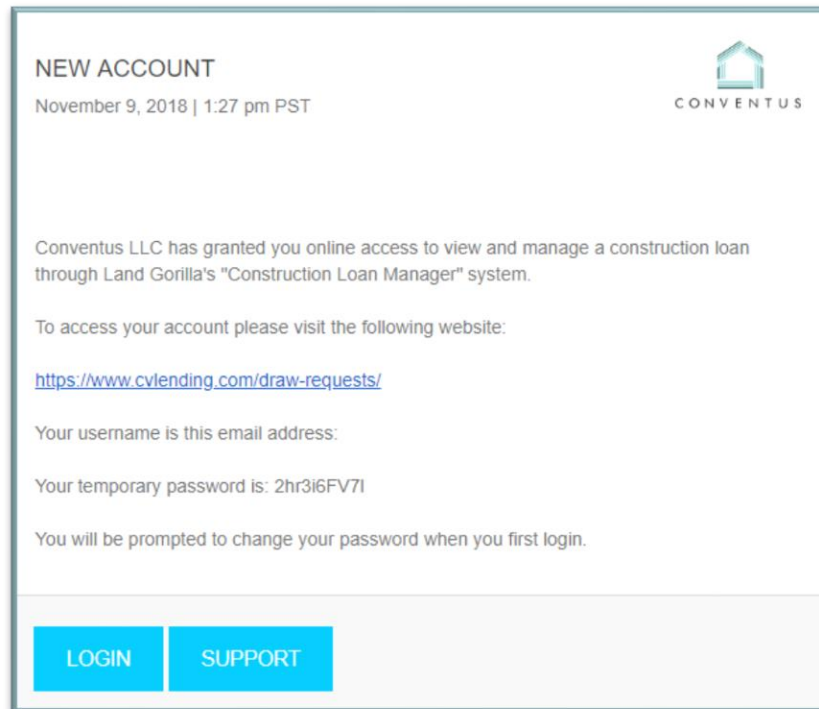
Best Regards,

Team Construct

Draws@cvlending.com

CONSTRUCTION LOAN MANAGER USER ACCESS

Conventus uses an online platform to manage all draw requests. After a construction loan has closed, the borrower will receive an email titled “Construction Loan Manager Account Setup” providing their credentials to the platform so they can login and place their draw requests. The budget that the borrower will be requesting draws against, will match the budget that was approved during closing.



After the first login, the borrower will be able to login

to their account via Conventus' website

<https://www.cvending.com/draw-requests/>

Please use this video as a step-by-step visual guide to submitting a draw request:

<https://vimeo.com/313116350/c0b3589152>



DRAW REQUEST PROCESS

DRAW REQUEST – The borrower will submit their draw request via Conventus' Construction Loan Manager Platform. Login credentials will be given to borrower after the loan is funded. The borrower will request funds against the pre-approved budget. **Conventus ONLY funds on work completed and will NOT advance funds for any type of deposit or materials purchased.**

DRAW INSPECTION - Conventus will order a draw inspection to confirm the line items requested by the borrower. An inspector will call the point of contact listed in the draw request to schedule the on-site inspection. *Note: There is an inspection fee per draw request. The fee is typically \$265 but may vary depending on the property type..*

REVIEW – A member from the construction team will review the inspector's assessment, the borrowers draw request, and documents to determine the disbursement amount. *Note: once an inspection is completed, Conventus should receive the inspectors findings in 24-48 hours.*

APPROVAL – Once the disbursement amount has been assessed, a member of the servicing team will contact the borrower to verbally confirm the borrower wire instructions on the first draw of the loan.

FUNDS DISBURSEMENT – Last, the borrower will receive a DocuSign showing the amounts assessed for each line item and the total disbursement. Once the document is signed, Conventus will process the disbursement. *Note: The draw fee is taken from the total amount approved and will be reflected in the Draw Request Form signed by the borrower.*

DOCUMENTS REQUIRED

LIEN WAIVERS

The borrower is responsible for submitting lien waivers specific to their state to ensure that no contractor, nor sub-contractor, has placed a lien on the subject property.

CONTRACTOR INVOICES

The borrower is responsible for submitting invoices provided by the contractor for payment related to work completed on the subject property. The draw amount requested by the borrower should reflect the work completed and billed by the contractor.

SUBCONTRACTOR INVOICES

If there is NO contractor to a project, the borrower is responsible for submitting invoices provided by sub-contractor for payment related to work completed on the subject property. The draw amount requested by the borrower should reflect the work completed and billed by the contractor.

INVOICES FOR SELF-PERFORMED WORK

If the borrower is self-performing some of the work related to the subject property, the borrower should submit invoices showing the cost used to complete the work.

UNINSPECTABLE ITEMS

Items requested that are not inspectable, such as soft cost, require invoices for the disbursement.

ACCOUNT DETAILS

The borrower will need to provide either a voided check or a direct deposit slip from their bank, before the first draw, for the disbursement. The borrower must ensure that the routing information is suitable for federal wires as some are only suitable for ACH.

3 WAYS TO ENSURE A SMOOTH DRAW PROCESS:

1. Provide wire instruction ASAP!
2. Provide all invoices regarding the draw request at the time of submission. Insufficient invoice proof will delay the draw process significantly.
3. Communicate openly with the draws team about any special requests or preferred points of contact Docusigns or inspections.

TENANT BUYOUT GUIDE

If and only when, your project has been approved for tenant buyouts, will this sheet apply.

Tenant buyout reimbursements will go through all the same draw request steps: Draw Request, Draw Inspection, Review, Approval, Disbursement. In addition, the inspection will include verification that the tenant buyout unit is vacant.

ADDITIONAL DOCUMENTS REQUIRED

- Signed contract for the tenant buyout - **tenant must match lease submitted by the borrower pre-close**
- Copy of tenant (signor) government issued identification
- Proof of payment to tenant
- Vacant unit (verified by 3rd party inspector)



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THANK YOU

We are here to help you through this process. Should you need assistance feel free to contact us. We look forward to working with you.

Best Regards,

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