



**BENCHMARK
BANK**

CONSTRUCTION DRAW PROCEDURES, 1XC & 2XC

- Contractor/Builder is required to open a Benchmark Bank checking account and utilize this account for clearing all advances/draws, subcontractor payments, etc. Additional draws/advances will not be funded if the bank determines that the funds are not disbursed to subcontractors according to this agreement.
 - Immediately following the commencement of construction (or possibly the delivery of work materials to the construction site) the Construction commencement form must be properly completed and forwarded to the Benchmark bank Collateral compliance department for the recording of the Mechanic's lien. This form must be recorded no later than 30 days after the commencement of construction to provide a perfected lien. The construction commencement and its instructions will be made available at closing. No future Draws can be processed without the receipt of this document.
 - Draws will only be processed when the builder has produced sub-contractors invoices for all requested funding items for the current draw and the necessary lien waivers from all subcontractors from the previous draw. Please see attached example of Lien Waiver Form. **Lien waivers and Invoices are required on all items of any specific draw if the draw is larger than \$25,000.00**
 - Funds will not be wired out of the Contractor/Builder checking account.
 - The checking account must be established prior to the closing of the loan so that any funds to be disbursed upon closing can be accessed by the builder.
 - Any down payment or deposit for the project per the terms of the construction contract is between the borrower and the builder and Benchmark Bank will not be held responsible or liable for the advance of these funds. This issue must be settled outside of the Bank's agreement with the customer.
 - Draws are based upon a percentage of the completion schedule and are completed using the attached Interim Construction Draw Request. All Draw Requests **must be signed by the Contractor and Borrower (e-mail serves as signature)**.
 - All Draws are Inspected and Approved by the Inspection Department.
 - Draw requests **must be submitted by 12:00 P.M. on Tuesday and must be accompanied with the corresponding sub-contractors invoices and any required Lien Waivers** to allow funding on Friday. Draw Requests are funded into Benchmark Bank checking accounts only on Fridays.
-
-

- Draws are funded into Benchmark Bank checking accounts based on **materials on location** and **work completed** at the time the draw is requested.
- Draws will be confirmed to Contractor on Friday by e-mail or phone call
- Please include copies of invoices to be paid.
- The Borrower will be charged for **10 Construction Inspections** at loan closing. Benchmark Bank reserves the right to charge additional fees, per inspection, if the project exceeds the 10 allocated Inspections. **The additional fee will be netted from the corresponding loan advance requested from the Contractor/Builder.**
- Regarding Final Draw Request: an 'All Bill's Paid Affidavit' must be submitted for down Date Endorsement Processing. This form can be found in the original Document Package. Final Draw will not be processed until final Down Date Endorsement has been received.

Benchmark Bank Contacts

Ashley Pitts
 Draw Administrator
Draws@benchmarkbank.com
 Phone: 972-673-4040
 Fax: 972-673-4099

Jim Neuhoff
 Vice President
jneuhoff@benchmarkbank.com
 Phone: 972-673-4054
 Fax: 972-673-4099

I acknowledge receipt of these procedures and agree to comply with the terms requirements for the entire duration of the project, including any extensions, project changes or other related requests.

 Contractor Acknowledgement

 Date

 Borrower Acknowledgement

 Date