

REQUIRED DOCUMENTATION FOR CONSTRUCTION PAYMENTS/DRAWS

The following documents are required for all construction draws. Contact your Live Oak Bank Construction Specialist with questions.

What the General Contractor Provides

Pay Application

- AIA 702/703 preferred
- If non-AIA format being used, the following must be included:
 - Owner/Contractor names
 - Contractor signature
 - Bill period/bill through date
 - Full cost breakdown
 - Original scope costs (per line item)
 - Change Order descriptions and amounts must be clearly represented
 - Previously paid amount
 - Current amount being billed (per line)
 - Retainage must be clearly stated
 - Balance to complete

Change Orders (if applicable)

- These should be submitted to lender prior to work being completed; please resubmit for convenience with your pay application package

Conditional/Unconditional progress lien waivers

- Both conditional and unconditional waivers will be required for the General Contractor
- Subcontractors and major material suppliers will be required to submit unconditional waivers on all projects
 - Some projects may require conditional waivers for subcontractors and suppliers

Invoices (as required)

- Projects may be required to have invoice backup for suppliers and/or subcontractors

If requesting deposits/payment for materials:

- Purchase orders/invoices need to be submitted along with required waivers
- If requesting reimbursement, copies of cancelled checks will be required to verify payment and the amount to be reimbursed
- Materials must be onsite or at a bonded warehouse during the time of inspection
 - Additional proof of insurance may be required

What Live Oak Bank Confirms

Site inspection performed by bank-engaged 3rd party

Date down endorsement (must confirm property is free of mechanics liens)

A foundation endorsement may be required by the title company; owner will be responsible for obtaining a foundation survey, if needed.

Current insurances (Owner/Borrower and General Contractor)

- If any insurance lapses during the course of construction, Live Oak Construction Specialist will require updated certificates prior to funding draw request