

Contractor

DRAW DISBURSEMENT PROCEDURE ACKNOWLEDGEMENT

STANDARD 203k

- Funds for disbursement will be available 7-10 days after the loan closes
- ALL **Permits** for the project should be in place **BEFORE** any funds will be disbursed. Copies of all permits to be forwarded to renovation loan processor, Carla Segal. csegal@mortgagecorp.com
- Once each phase of work is complete, the FHA consultant will be notified to inspect and document accordingly. The draw requests will then be released to borrower and contractor for signatures.
- There is a **10%** holdback of funds for each draw (holdback funds will be released to borrower and contractor at the time of the last and final draw)
- Signed draw requests and project documentation will be emailed to renovation loan processor csegal@mortgagecorp.com
- Once approved by the 203k department, the draw requests will be submitted to the accounting department for disbursement checks. This process can take 4-5 business days from submission.
- Checks are made payable to **both** the borrower and the contractor.
- Once processor receives checks from accounting department, the checks will be sent overnight via FEDEX - next day afternoon. The borrower will be notified of tracking information and will follow-up accordingly.

Contractor's Acknowledgement

Date