



## Renovation Draw Process Acknowledgement Disclosure

When the Contractor desires a draw, the draw request documentation will be prepared by the HUD Consultant and signed by all parties. The number of draws will be determined by the Consultant prior to the closing of the loan. When permits are required, those fees may be reimbursed to the Contractor at closing with proper documentation. The final payment to the Contractor will be made following completion of all work, as evidenced by an inspection provided by the Consultant and release of any and all liens arising out of the contract or submission of receipts or other evidence of payment covering all subcontractors or suppliers who could file a legal claim. Lender reserves the right to have all work verified by an inspection report before disbursement to Contractor.

**All draw requests must be submitted directly to American Financial Resources, Inc. Renovation Department.** The appropriate Draw Request Form is to be completed and executed by the Consultant, Contractor and the Borrower for each draw.

Please submit via e-mail to [renovation@afrwholesale.com](mailto:renovation@afrwholesale.com). AFR's Renovation Department will review the documentation. Upon approval of each draw request, inspection and contractor lien waiver, funds will be disbursed to the Contractor via ACH bank transfer to Contractor's account *only* after receipt of authorization and consent by the Borrower. It is anticipated that the time from submittal of an acceptable request and an inspection report to AFR's Renovation Department until the ACH bank transfer is issued for delivery to the contractor will be approximately 2-3 business days, unless there are delays by the inspector and/or closing agent, or Borrower.

Any questions related to draws are to be addressed with AFR's Renovation Department. You may contact them by phone at (800) 624-0501, by fax at (866) 797-3137, by e-mail at [renovation@afrwholesale.com](mailto:renovation@afrwholesale.com), or by mail at:

American Financial Resources, Inc.  
9 Sylvan Way  
Parsippany, NJ 07054  
Attn: Renovation Department

**Please Note:** All change orders must be submitted by the Consultant to AFR's Renovation Department for Lender approval prior to disbursement.

By signing below, you are acknowledging that you understand the draw procedure and accept the responsibility of this disclosure.

\_\_\_\_\_  
Contractor's Company Name

\_\_\_\_\_  
Contractor's Name printed

\_\_\_\_\_  
Contractor's signature


\_\_\_\_\_  
Date

\_\_\_\_\_  
Borrower's signature (only one signature is required)

\_\_\_\_\_  
Date

AFR's Loan Number \_\_\_\_\_

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