

CONSTRUCTION DISBURSING:

Keeping Your Project on Track

A webinar for legal and
business professionals

JUNE 19, 2014



- Presentation outline
- Sample forms



**CHICAGO TITLE
INSURANCE COMPANY**

NATIONAL COMMERCIAL SERVICES | CHICAGO

Construction Disbursing: Keeping Your Project on Track Webinar Presentation Outline

I. Welcome and Notes

II. Introduction of presenters

- a. Jerry Castro, Resident Vice President and Associate National Counsel
- b. Christine Renner, Assistant Vice President and Construction Escrow Officer

III. Introduction

- a. In today's presentation, we will go over what types of construction escrow services are available at the title company and the typical documentation required in the administration of those escrows.

How Does Construction affect Title Insurance Coverage & Availability?

- a. Priority and what does it mean to your lender?
 - i. How is your lender's priority broken?
 - 1. California/Western states method
 - 2. Florida Notice of Commencement
 - 3. NY Lien Law Language
 - 4. Texas method
 - 5. Illinois
 - ii. Owner's Coverage/Armour Note Coverage
- b. What can Chicago Title do to assist the owner and lender when work has already commenced?
 - i. ALTA 32 Endorsement
 - ii. ALTA 33 Endorsement

IV. Why a Construction Escrow Agreement?

- a. Clearly defines who is a party to the agreement
 - i. Also sets forth who can request information
 - ii. Chicago Title and Trust is set up as the Escrowee in these Agreements
- b. Clearly identifies what documentation is to be deposited and by whom
 - i. outlines the responsibilities of each party
 - ii. the documentation typically called for in the agreements is based upon the requirements in the Illinois statute
- c. Clearly identifies procedure the Escrowee is to follow
- d. There can be no deposit of funds or documentation without a fully executed escrow agreement in place at the title company

- V. Things to Consider when opening a Construction Escrow**
- a. What is the project?
 - b. Where is it located?
 - c. How many months/years will it take to complete?
 - d. What is the project budget and what are the sources?
 - e. Who is the Escrowee to pay? Subcontractors directly?
 - f. Is interim mechanic lien coverage going to be requested? If yes, will it be a Lender policy or an Owners Policy? (not both)
- VI. Types of INSURED Construction Escrows administered at the title company**
- a. Insured Escrows afford interim mechanic lien coverage to the Insured under EXISTING title policies
 - a. Loan Policy
 - i. This is the typical construction escrow that is usually used in a project funded by a construction mortgage loan. Provides interim mechanic lien coverage to the lender.
 - ii. By and between the Owner, Escrowee, and Lender and the General Contractor
 - iii. Payments are made directly to the Subcontractors
 - iv. Requires an Indemnity signed by the Owner
 - v. A run down of title is performed.
 - vi. Funds are advanced by the lender and deposited at the title company.
 - vii. When all deposits are received, including documentation, the funding takes place and the title company “pays out” to all the subcontractors in exchange for their waivers.
 - viii. The title company issues endorsement(s) to the existing loan policy extending the effective date of the policy to the funding date and extending the mechanic lien coverage to insure that defined payments have been made.
 1. An enhanced version of this endorsement is available that will cover lower tier undisclosed parties.
 2. Additional underwriting review is required for this coverage to be approved.
 - b. Owner’s Policy (also called Armour Note coverage)
 - i. Sometimes, there is no lender and the Owner wants interim mechanic lien coverage afforded to them.
 - ii. This type of an escrow requires specific underwriting approval and will require additional documentation provided by the general contractor.
 1. Audited Financials will need to be reviewed and approved.
 2. An Indemnity will need to be signed by the General Contractor.
 3. Depending of the circumstances, additional underwriting clearance may be necessary.

- iii. By and between the Owner, Escrowee and the General Contractor and payments are made directly to the Subcontractors.
- iv. Owner's and General Contractor's Documentation is received and reviewed by the title company.
- v. A run down of title is performed.
- vi. Funds are advanced by the Owner and deposited at the title company.
- vii. When all deposits are received, funding takes place and the title company "pays out" to all the subcontractors in exchange for their waivers.
- viii. The title company issues an interim mechanic lien endorsement to the existing Owners policy.

VII. Types of UNINSURED Construction escrows administered at the title company

- a. The title company can administrate a construction escrow and not insure the Insured under a title policy.
 - a. Situations in which this type of escrow is utilized would be
 - i. Owner wants documentation reviewed and payouts made by a Third Party Escrowee.
 - ii. There is no Lender and the Owner determines it does not want title insurance.
 - iii. The title company cannot Insure the project.
 - iv. Tenant Improvements
 - 1. A specific requirement for this type of escrow is that the Landlord needs to acknowledge and consent to the Construction Escrow. However, in most cases, they are not a party.
 - b. The Process is identical to the procedure in which coverage is provided, with the following exceptions
 - i. No title search is run, unless specifically requested and paid for by the owner.
 - ii. No endorsements are issued to any policy.
 - c. The Escrowee's standard for documentation review is the same as if the title company were providing the interim MLC coverage.
 - i. Mistakes and errors will be pointed out to the Owner and the title company will look to the Owner to advise how they should proceed.

VIII. VARIATIONS of the insured and uninsured escrow

- a. All variations do require additional clearance and underwriting approval
 - i. The title company may need audited financial statements of some or all the parties to the escrow.
 - ii. The title company may need some or all of the parties to sign an indemnity.

- iii. Depending of the circumstances, additional underwriting clearance may be necessary.
 - iv. Additional risk premium will be charged.
 - b. There is no escrow in which the documentation is merely “reviewed and approved” by the escrowee.
 - a. If Chicago Title is neither insuring nor disbursing funds, then we cannot be an Escrowee.
 - b. Outside Interim
 - i. Lender’s Escrows only
 - ii. Procedure in a standard insured lender’s escrow is followed, except
 - 1. Payouts are made by the lender.
 - 2. The endorsement is not given to the lender until the lender can confirm that they have disbursed.
 - c. After the Fact Escrows, also called trailing waivers or 30 day delay
 - i. The payments are typically made to the General Contractor and not to the individual subcontractors.
 - ii. This procedure is to reimburse the General Contractor for the payment they made to the subcontractors.
 - iii. Prior to the disbursement of a current draw, the General Contractor submits their overall waiver, and the waivers of the subcontractors from the draw immediately preceding.
 - iv. This type of procedure ceases at the final draw. At the final draw, all final waivers will need to be provided at the time of disbursement.

Now that we have reviewed the types of escrow services available, let’s look at some important sections of a standard construction loan agreement

IX. Construction Loan Escrow Trust and Disbursing Agreement Form – Key points

- a. Article 1 – Key points
 - a. Defines who is a party to the Agreement and identifies the specifics of the project
 - i. Owner, Lender, Escrow Trustee, Inspector, General Contractor, etc.
 - ii. Identifies the project
 - iii. Sets forth the amount of deposits to be made and by whom
 - iv. Identifies who will be responsible to the escrow fee
- b. Article 2 – Key points
 - a. Legally describes the property
 - b. Discusses the overall purpose of the escrow and the role of the Escrow Trustee and the Title Insurer in the transaction
 - c. Defines who the Escrow Trustee is to pay (subcontractor or contractor)
- c. Article 3 – Key points

- a. Outlines who is to deposit what to the escrow in order to for the draw to be disbursed
 - i. Owner’s Sworn Statement
 - ii. Owner’s approval of the draw
 - iii. General Contractor’s Sworn Statement (aka Section 5 Affidavit)
 - iv. Lender’s approval
 - v. Sufficient funds to cover the draw
 - vi. Waivers for the current draw (including an overall waiver from the General Contractor)
 - vii. Inspection or Architect’s Certification on AIA G702
- d. Article 4 – Key points
 - a. Escrowee will stop disbursement and notify Lender (the Insured) for further instruction when a filed lien is found in the title search.
 - b. Escrowee can stop disbursements if the loan becomes “out of balance” or for other red flags described in Article 4(B).
 - c. A copy of all final documentation needs to be provided at the time of disbursement.
 - d. Funds deposited in the escrow are not invested unless we receive express instruction to invest and the requisite investment forms are completed and returned to us.
 - e. Article 4(I) contains limited indemnification verbiage from the Owner to the Title Company.

Now that we have looked at the agreements, let us take a look at the documentation required by the agreement

X. Typical Forms used in Construction Escrow

- a. The standard forms used and called for in any Construction Escrow are:
 - a. Owners Sworn Statement
 - b. General Contractors Statement
 - c. Subcontractor Waivers
 - d. Material Waivers
- b. Owner’s Sworn Statement
 - a. This document is the starting point for the Escrowee’s waiver exam.
 - b. This is not a statutory form but it is required in all of the Agreements utilized by the title company.
 - c. This is a sworn affidavit provided by the owner of the property to the Escrowee outlining all parties with whom the Owner has contracted
 - d. Needs to include not only the General Contractor, but all other costs, including the Architect, Surveyor, Interior Design, soft costs, etc.
 - e. A properly completed form:
 - i. This is to be signed and acknowledged by a notary. Therefore, the top “State of” and County of” should be completed with the state and county where it is signed and notarized.

- ii. The identification and capacity of the affiant needs to be completed.
 - iii. A proper identification of the real property needs to be completed.
 - iv. All line items need to be fully completed with the name and addresses of all parties engaged by the owner.
 - v. All line items need to disclose the current contract status:
 - 1. Value of the contract at the time the document is signed, including all extras, change orders and credits.
 - 2. All amounts previously paid
 - 3. Current amount being paid
 - 4. Balance to come due
 - vi. The statement needs to include an Owner's Approval to pay the amounts disclosed thereon.
 - 1. If the statement does not appear, then the Owner can submit a separate approval
 - vii. The columns should total to the full budget of the project, previously paid amount, current draw amount, and balance to complete.
 - viii. The Owner's Sworn Statement needs to be signed by an officer of the company and notarized.
- c. Tenant Sworn Statement
 - a. Same as the Owners Statement but used in a Tenant Improvement Escrow in which the Tenant is the party who lets contracts
 - d. General Contractors Sworn Statement (also called a Section 5 Affidavit)
 - a. Proper completion of this document may offer the Owner a proper payment defense in the event of a mechanic lien foreclosure.
 - b. This is to be signed and acknowledged by a notary. Therefore, the top "State of" and County of" should be completed with the state and county where it is signed and notarized.
 - c. This is a sworn affidavit provided by the General Contractor to the Owner outlining all parties with whom the GC has a contract.
 - d. The identification and capacity of the affiant needs to be completed.
 - e. A proper identification of the real property needs to be completed.
 - f. Needs to be fully and factually completed
 - 1. Names and Addresses of all subcontractors
 - 2. Value and status of the sub contract at the time the document is signed, including all extras, change orders and credits.
 - 3. All amounts previously paid
 - a. Not "billed" or "invoiced"
 - 4. Current amount being paid
 - 5. Balance to come due
 - g. This document is different from an AIA statement and we cannot accept an AIA Statement in lieu of this form.

- e. Subcontractor Waiver and Affidavit required by the Escrowee
 - a. Partial/Final Waiver
 - i. Waivers are required from all contractors, including general contractors, subcontractors, sub-subcontractors, etc., and material suppliers.
 - 1. Partial Waiver to date
 - a. Waives only to a specific date
 - 2. Final Waiver
 - a. Waives for all work heretofore or hereafter furnished
 - ii. The Chicago Title form of waiver is really two documents on one form
 - 1. The top section is the actual waiver for funds received (unconditional) and lien rights through the date of the waiver (on a partial) or a waiver in full (on a final).
 - 2. Partial Waiver to date
 - a. The date on a partial waiver should be the invoice cut off date
 - b. Waives to date for retention, work done, but not billed, extras, change orders, and work billed and not yet approved for payment
 - iii. Contractor Affidavit (also called a Section 22 Affidavit)
 - 1. This is a sworn statement by the subcontractor identifying all sub-subcontractors or material providers engaged by the subcontractor.
 - a. Similar to the GC Statement
 - 2. It is a requirement that it be fully and factually completed, like the Section 5 Affidavit.
 - 3. The name and capacity of the affiant must be completed.
 - a. Only officers of the company can sign waivers and affidavits.
 - 4. The current status of the contract must be disclosed, including the current value of the contract and the amount that the subcontractor has previously received.
 - 5. Needs to list
 - a. Names and Addresses of all sub-subcontractors and material suppliers and the contract status for each, including all extras, change orders and credits
 - b. All amounts previously paid

- c. Current amount being paid
 - d. Balance to come due
- 6. The Escrowee assumes that most subcontractors have material suppliers, usually in the amount of 30% to 50% of the value of their subcontract.
 - a. For instance, for a concrete contract, we would expect to see waivers from a Redi-Mix supplier amounting to approximately 40% of the value of the contract.
- 7. In the event that there are no material suppliers, the subcontractor can state the following in their affidavit:
 - a. "All material taken from fully paid stock and delivered to job site in company owned trucks. All labor paid for. Our principal supplier is: ___(complete with the name and address of the supplier)___"
 - b. Be prepared, we can, and do, call the parties listed
- 8. All supporting waivers from parties identified, in the Section 22 affidavit need to be tendered to the Escrowee.
 - b. Material Waivers
 - i. The material waiver is merely the top section of the Chicago Title form and can be used by those material suppliers who only provide material and deliver to the property.

XI. Conclusion

XII. Question and Answer period

CHICAGO TITLE INSURANCE COMPANY
SWORN OWNER'S STATEMENT TO CHICAGO TITLE INSURANCE COMPANY

STATE OF _____

Guarantee No. _____

} SS

COUNTY OF _____

Escrow No. _____

The affiant, _____ being first duly sworn, on oath deposes and says that he is the *owner/beneficiary of Trust No _____ held by _____ which is the owner * of the following described premises in _____ County, Illinois, to wit: _____

1. That he is thoroughly familiar with all the facts and circumstances concerning the premises described above;
2. That with respect to improvements on the premises the only work done or materials furnished to date are as listed below;
3. That the only contracts let for the furnishing of future work or materials relative to the contemplated improvements are as listed below;
4. That this statement is a true and complete statement of all such contracts, previous payments and balances due, if any.

NAME AND ADDRESS	KIND OF WORK	ADJUSTED TOTAL CONTRACT INC. EXTRAS & CREDITS	PREVIOUSLY PAID	AMOUNT OF THIS PAYMENT	BALANCE TO BECOME DUE
	ARCHITECT				
	SURVEYOR				
	ENGINEER				
	SOIL TESTS				
	GENERAL CONTRACTOR				
	OFF SITE IMPROVEMENTS				
	OTHERS				
	TOTAL:				

THE UNDERSIGNED HEREBY APPROVES THE ABOVE AMOUNTS FOR PAYMENT.

SIGNED _____

ADDRESS _____

Subscribed and sworn before me this _____ day of _____, 20____.

_____ Notary Public

SWORN STATEMENT OF CONTRACTOR AND SUBCONTRACTOR TO OWNER AND TO CHICAGO TITLE INSURANCE COMPANY

State of _____ } ss.
County of _____

Page _____ of _____ Pages

The affiant, _____ being first duly sworn, on oath deposes and says
that he is _____
of _____ that _____ has
contract with _____, owner _____ for

on the following described premises in said County, to wit _____

That, for the purposes of said contract, the following persons have been contracted with, and have furnished, or are furnishing and preparing materials for, and have done or are doing labor on said improvement. That there is due and to become due them, respectively, the amounts set opposite their names for materials or labor as stated. That this statement is a full, true and complete statement of all such persons, the amounts paid and the amounts due or to become due to each.

1 Name and Address	2 Kind of Work	3 Amount of Contract	4 Retention (inc. current)	5 Net of Previous Payments	6 Net Amount This Payment	7 Balance to Become Due (inc. Retentions)
		\$500,000.00	\$20,000.00	\$0.00	\$200,000.00	\$300,000.00
						\$0.00
						\$0.00
						\$0.00
						\$0.00
						\$0.00
						\$0.00
						\$0.00
						\$0.00
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						\$0.00
						\$0.00
						\$0.00
						\$0.00
						\$0.00
						\$0.00
						\$0.00
TOTALS		\$500,000.00	\$20,000.00	\$0.00	\$200,000.00	\$300,000.00
AMOUNT OF ORIGINAL CONTRACT		WORK COMPLETED TO DATE				
EXTRAS TO CONTRACT	\$0.00	LESS	% RETAINED			
TOTAL CONTRACT AND EXTRAS	\$0.00	NET AMOUNT EARNED				
CREDITS TO CONTRACT	\$0.00	NET PREVIOUSLY PAID				
ADJUSTED TOTAL CONTRACT	\$0.00	NET AMOUNT OF THIS PAYMENT				
				BALANCE TO BECOME DUE (Inc. Retention)		

It is understood that the total amount paid to date plus the amount requested in this application shall not exceed _____ % of the cost of work completed to date.

I agree to furnish Waivers of Lien for all materials under my contract when demanded.

Signed _____
(position)

Subscribed and sworn to before me this _____ day of _____, 20____

Notary Public

The above sworn statement should be obtained by the owner before each and every payment.
Provided by Chicago Title Insurance Company

WAIVER AND AFFIDAVIT COMPLETION INSTRUCTIONS

The following information is being provided in an effort to minimize the delays caused by incomplete or improperly completed waivers or contractor's affidavit forms. If you are familiar with the preparation of these forms, then no further reading is necessary. If not, we suggest you read and comply with the information as provided below.

The forms titled Partial Waiver or Final Waiver, which are printed and provided by Chicago Title Insurance Company upon request are in reality two forms each. The Partial Waiver form is a Waiver of Lien to Date form and a Contractor's Affidavit form. The Final Waiver form is a Final Waiver of Lien form and a Contractor's Affidavit form. You must complete and sign both the waiver section and the affidavit section on each form before you submit the form to Chicago Title. The signature on the affidavit section of the form must be notarized. A failure to fully complete each section of the form could result in a delay in the processing of a construction draw request.

WAIVER OF LIEN SECTION

Section	1.	Enter Chicago Title Insurance Company's file number or Chicago Title & Trust Company's escrow number, if known.
	2.	Enter the name of the party you contracted with for the service to be performed. Review your contract for correct name, if necessary.
	3.	Enter the service or materials you agreed to perform or supply (type of work).
	4.	Enter the complete street address or a sufficient legal description to identify the property, if vacant.
	5.	Enter the name of the record owner of the property.
	6.	Enter the dollar amount of this payment, spelled out in words.
	7.	Enter the same dollar amount of this payment, written in numbers.
	8.	Date the waiver.
	9.	Enter the name and address of your company; sign the waiver and state your title (i.e. owner, president, partner, etc.).

CONTRACTOR'S AFFIDAVIT SECTION

Section	1.	Enter your name.
	2.	Identify your position held in the company (i.e., owner, president, partner, etc.)
	3.	Enter your company name or business name.
	4.	Enter the service or materials you agreed to perform or supply (type of work).
	5.	Enter the complete street address or a sufficient legal description to identify the property, if vacant.
	6.	Enter the name of the record owner of the property.
	7.	Enter the total contract amount, written in numbers, INCLUDING ALL EXTRAS AND CHANGE ORDERS, BOTH ORAL AND WRITTEN.
	8.	Enter the total amount of all payments you previously received, written in numbers. If you previously received nothing, use "0".

9. Identify all subcontractors and materialmen with whom your company has contracted for labor, materials, or supplies for the project.

For each subcontractor or materialman listed:

- a. Describe the type of work performed or the materials supplied by the sub-subcontractor or materialman;
- b. Enter the total amount of the subcontract, **including change orders, both oral and written**;
- c. Enter the total amount of all payments previously made to the subcontractor or materialman, and attach waivers for those payments;
- d. Enter the total amount of the current payment to the subcontractor or materialman, and attach a waiver for the payment;
- e. Enter the balance due under the subcontract; and
- f. Total all columns.

If no subcontractors or materialmen are hired, because all materials were taken from fully paid stock, the following statement **must** be made:

"My suppliers are:

Name

Address

Name

Address

All material taken from fully paid stock and delivered to job site in my/our own truck."

Enter "0" in the Balance Due column for each supplier listed.

If there are no subcontracts for labor, then the following statement must be made (refers to your employees):

"All labor is paid."

10. Date the affidavit.

11. Sign the affidavit.

12. Have a notary date, sign and seal the affidavit.

WAIVER OF LIEN TO DATE

STATE OF _____		Gty# _____
	} SS	
COUNTY OF _____		Escrow# _____

TO WHOM IT MAY CONCERN:

WHEREAS the undersigned has been employed by _____
to furnish _____
for the premises known as _____
of which _____ is the owner.
THE undersigned, for and in consideration of _____ (\$ _____)

Dollars, and other good and valuable consideration, the receipt whereof is hereby acknowledged, do(es) hereby waive and release any and all lien or claim of, or right to, lien, under the statues of the State of _____, relating to mechanics' liens, with respect to and on said above-described premises, and the improvement thereon, and on the material, fixtures, apparatus or machinery furnished, and on the moneys, funds or other considerations due or to become due from the owner, on account of all labor services, material, fixtures, apparatus or machinery, furnished to this date by the undersigned for the above-described premises, INCLUDING EXTRAS.*

DATE _____		COMPANY NAME _____
		ADDRESS _____

SIGNATURE AND TITLE _____

*EXTRAS INCLUDE BUT ARE NOT LIMITED TO CHANGE ORDERS, BOTH ORAL AND WRITTEN, TO THE CONTRACT.

STATE OF _____		CONTRACTOR'S AFFIDAVIT
	} SS	
COUNTY OF _____		

TO WHOM IT MAY CONCERN:

THE UNDERSIGNED, (NAME) _____ BEING DULY SWORN, DEPOSES AND SAYS THAT HE OR SHE
IS (POSITION) _____ OF (COMPANY NAME) _____ WHO
IS THE CONTRACTOR FURNISHING _____
WORK ON THE BUILDING LOCATED AT _____
OWNED BY _____

That the total amount of the contract including extras* is \$ _____ on which he or she has received payment of \$ _____ prior to this payment. That all waivers are true, correct and genuine and delivered unconditionally and that there is no claim either legal or equitable to defect the validity of said waivers. That the following are the names and addresses of all parties who have furnished material or labor, or both, for said work and all parties having contracts or sub contracts for specific portions of said work or for material entering into the construction thereof and the amount due or to become due to each, and that the items mentioned include all labor and material required to complete said work according to plans and specifications:

NAMES AND ADDRESSES	WHAT FOR	CONTRACT PRICE INCLDG EXTRAS*	AMOUNT PAID	THIS PAYMENT	BALANCE DUE
TOTAL LABOR AND MATERIAL INCLUDING EXTRAS* TO COMPLETE					

That there are no other contracts for said work outstanding, and that there is nothing due or to become due to any person for material, labor or other work of any kind done or to be done upon or in connection with said work other than above stated.

DATE _____	SIGNATURE _____
------------	-----------------

SUBSCRIBED AND SWORN TO BEFORE ME THIS _____ DAY OF _____, 2 _____.

	NOTARY PUBLIC
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*EXTRAS INCLUDE BUT ARE NOT LIMITED TO CHANGE ORDERS, BOTH ORAL AND WRITTEN, TO THE CONTRACT.

FINAL WAIVER OF LIEN

STATE OF _____ } SS
COUNTY OF _____

Gty # _____
Loan # _____

TO WHOM IT MAY CONCERN:

WHERE AS the undersigned has been employed by _____
to furnish _____
for the premises known as _____
of which _____ is the Owner.

The undersigned, for in consideration of _____ \$ _____)
Dollars, and other good and valuable consideration, the receipt whereof hereby acknowledged, do(es) hereby waive and release any and all lien or claim
of, or right to, lien, under the statutes of the State of _____, relating to mechanics' liens, with respect to and on said above described premises, and the
improvements thereon, and on the material, fixtures, apparatus or machinery furnished, and on the moneys, funds or other considerations due or to
become due from the owner, on account of labor services, material, fixtures, apparatus or machinery hereto furnished, or which may be furnished at any
time hereafter, by the undersigned for the above-described premises, INCLUDING EXTRAS.*

DATE _____ COMPANY NAME _____ ADDRESS _____

SIGNATURE AND TITLE _____

*EXTRAS INCLUDE BUT ARE NOT LIMITED TO CHANGE ORDERS, BOTH ORAL AND WRITTEN, TO THE CONTRACT.

STATE OF _____ } SS
COUNTY OF _____

CONTRACTOR'S AFFIDAVIT

TO WHOM IT MAY CONCERN:
THE UNDERSIGNED, (NAME) _____ BEING DULY SWORN
DEPOSES AND SAYS THAT HE OR SHE IS (POSITION) of the _____ OF (COMPANY NAME)
_____ WHO IS THE CONTRACTOR FURNISHING
_____ WORK ON THE BUILDING LOCATED
AT _____ OWNED BY

That the total amount of the contract including extras* is \$ _____ on which he or she
has received payment of \$ _____ prior to this payment. That all waivers are true, correct and genuine and delivered
unconditionally and that there is no claim either legal or equitable to defect the validity of said waivers. That the following are the names of all parties
who have furnished material or labor, or both, for said work and all parties having contracts or sub contracts for specific portions of said work or for
material entering into the construction thereof and the amount due or to become due to each, and that the items mentioned include all labor and
material required to complete said work according to plans and specifications:

NAMES AND ADDRESSES	WHAT FOR	CONTRACT PRICE INCLUDING EXTRAS*	AMOUNT PAID	THIS PAYMENT	BALANCE DUE
TOTAL LABOR AND MATERIAL INCLUDING EXTRAS* TO COMPLETE					

That there are no other contracts for said work outstanding, and that there is nothing due or to become due to any person for material, labor or other
work of any kind done or to be done upon or in connection with said work other than above stated.

DATE _____ SIGNATURE _____
SUBSCRIBED AND SWORN TO BEFORE ME THIS _____ DAY OF _____, 2_____.

NOTARY PUBLIC

*EXTRAS INCLUDE BUT ARE NOT LIMITED TO CHANGE ORDERS, BOTH ORAL AND WRITTEN, TO THE CONTRACT.

WAIVER OF LIEN TO DATE

STATE OF _____

Gty# _____

} SS

COUNTY OF _____

Escrow# _____

TO WHOM IT MAY CONCERN:

WHEREAS the undersigned has been employed by _____

to furnish _____

for the premises known as _____

of which _____ is the owner.

THE undersigned, for and in consideration of _____

_____ (\$ _____)

Dollars, and other good and valuable consideration, the receipt whereof is hereby acknowledged, do(es) hereby waive and release any and all lien or claim of, or right to, lien, under the statues of the State of _____ relating to mechanics' liens, with respect to and on said above-described premises, and the improvement thereon, and on the material, fixtures, apparatus or machinery furnished, and on the moneys, funds or other considerations due or to become due from the owner, on account of all labor services, material, fixtures, apparatus or machinery, furnished to this date by the undersigned for the above-described premises, INCLUDING EXTRAS.*

DATE _____

COMPANY NAME _____

ADDRESS _____

SIGNATURE AND TITLE _____

SUBSCRIBED AND SWORN TO BEFORE ME THIS _____ DAY OF _____, 2_____.

NOTARY PUBLIC

*EXTRAS INCLUDE BUT ARE NOT LIMITED TO CHANGE ORDERS, BOTH ORAL AND WRITTEN, TO THE CONTRACT.

FINAL WAIVER OF LIEN

STATE OF WISCONSIN

Gty # _____

} SS

COUNTY OF _____

Loan # _____

TO WHOM IT MAY CONCERN:

WHERE AS the undersigned has been employed by _____

To furnish _____

for the premises known as _____

of which _____ is the Owner.

The undersigned, for in consideration of _____

\$ _____)

Dollars, and other good and valuable consideration, the receipt whereof hereby acknowledged, do(es) hereby waive and release any and all lien or claim of, or right to, lien, under the statutes of the State of _____, relating to mechanics' liens, with respect to and on said above described premises. And the improvements thereon, and on the material, fixtures, apparatus or machinery furnished, and on the moneys, funds or other considerations due or to become due from the owner, on account of labor services, material, fixtures, apparatus or machinery hereto furnished, or which may be furnished by the undersigned for the above-described premises, INCLUDING EXTRAS.*

DATE _____

COMPANY NAME _____

ADDRESS _____

SIGNATURE AND TITLE _____

SUBSCRIBED AND SWORN TO BEFORE ME THIS _____ DAY OF _____, 2_____.

NOTARY PUBLIC

*EXTRAS INCLUDE BUT ARE NOT LIMITED TO CHANGE ORDERS, BOTH ORAL AND WRITTEN, TO THE CONTRACT.