



Date:

Builder:

Welcome to Midwest Loan Solutions. It is our expectation to provide a smooth and efficient process during the construction process.

All of the builders must go through a review process with MLS. Attached is the Builder Package which includes a checklist identifying the documentation required for the review. Please submit the documentation to the construction lending dept. and the review process will begin. Once all of the documents are submitted to our Construction Lending Department, the review process will take 3 to 5 business days.

It is our goal to provide excellent service to everyone involved in the construction loan process. We look forward to working with you as well as building a solid relationship for future projects. If you have any questions, please do not hesitate to contact me.

Thank you

Sincerely,

**Midwest Loan Solutions**

Loan Officer

Phone Number

Email Address



## BUILDER PACKAGE CHECKLIST

Please provide us with the items listed below.

### Items included in this package:

- Builder Registration Form**  
Please complete and sign form. Form includes authorization to obtain personal and/or business credit information.
- Notice to Building Contractor**  
Please review and sign form.
- Draw Schedules – 5 and 6 Stage Schedules**  
Please complete and sign applicable Draw Schedule.
- IRS Form W-9**  
Please complete and sign form.
- Statement of Exemption from Worker’s Compensation, if applicable**

### Additional items that you must provide:

- Copy of State Contractor’s License**
- Copy of valid driver’s license**
- Copy of Certificate of Worker’s Compensation Insurance**  
Must reflect the homeowner as a certificate holder  
If exempt, please submit Statement of Exemption from Worker’s Compensation Form A2
- Copy of Certificate of General Liability Insurance**  
Minimum \$1,000,000 general liability coverage  
Must reflect the homeowner as a certificate holder
- Signed Construction Contract**
- Set of Plans and Specifications**  
One full set of plans for construction and job specifications. Electronic plans can be accepted in lieu of the large scale plans. Plans cannot be downsized and scanned.
- Building Permits – if available**

**For VA Financing only** –included in this package: 1) **VA Form 26-1852 Description of Materials** that will be needed prior to appraisal order; and 2) a sample copy of the **VA Builder’s Agreement to Pay Interest** which you will sign later in the loan process.

# MLS Construction Lending Department

# Builder Registration

Email – [cp@midwestloansolutions.com](mailto:cp@midwestloansolutions.com)

Borrower Name:	Loan Number:	
Borrower Street Address:	City: State:	Zip Code:
Legal Name of Business	Phone Number (     )     -	<u>Type of business</u> Corporation <input type="checkbox"/> Partnership - General <input type="checkbox"/> - Limited <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> LLC <input type="checkbox"/>
Website address, if applicable: www.	Fax Number (     )     -	
Mailing address		
City, State, Zip Code		

1. Organization has been in business as a general contractor for \_\_\_\_\_ years.

Type of license or "NONE REQUIRED"	License number	Tax ID# (Required)
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2. Organization has been in business under its present name for \_\_\_\_\_ years.  
 Previous Business Name(s) (if any)

3. If organization is a corporation or LLC, complete this section.

Date of Incorporation	<input type="checkbox"/> "C" corp or <input type="checkbox"/> "S" corp <input type="checkbox"/> LLC	State of Incorporation
-----------------------	---	------------------------

4. Name, Title, SSN and Ownership % of each partner, shareholder or member

Name	Title	Social Security Number	Ownership %
		- -	
		- -	
		- -	
		- -	

13. Insurance coverage

Liability Insurance	Agent	Phone #
\$		(     )     -
Workers Compensation	Agent	Phone #
\$		(     )     -

If checked, I certify that my organization does not carry workers compensation insurance, because my organization does not have any field employees (other than myself), and all hired subcontractors are required to carry their own Workers compensation insurance.

14. Gross Sales/Projects Completed History – identify your company's gross sales and number of projects for each of the last 3 calendar or fiscal years

Year	Gross Sales	Number of Projects Completed

15. Has the organization or any of its principals ever filed bankruptcy?     Yes     No  
 If yes, give date and attach explanation

16. I/We the undersigned certify that the statements and representations made herein are true and complete to the best of our knowledge. Should there be any personal or corporate changes within the company, I/we agree to notify lender of same within thirty (30) days thereof. I/We hereby authorize any Trinity Real Estate Solutions, Inc. affiliate or Trinity Loan Administration to obtain business and/or personal credit reports, and verify the information represented herein with employees, financial institutions, trade and customer references, and others as it may deem necessary or appropriate in its sole discretion. Certain credit and proprietary information of builder supplied to Trinity Real Estate Solutions, Inc. affiliates or Trinity Loan Administration may be needed by Trinity Real Estate Solutions, Inc. affiliate or Trinity Loan Administration in connection with the processing and underwriting of loans or projects involving the undersigned builder. Builder hereby consents to Trinity Real Estate Solutions, Inc. affiliates or Trinity Loan Administration sharing such information, including business and personal credit reports, forms 1003 and 1008, tax returns, financial statements, account and other financial information, prior experience, construction industry reports and references, and other builder information, regardless of whether such information was first furnished to or obtained by Trinity Real Estate Solutions, Inc. affiliate or Trinity Loan Administration.

Owner/Partner/Member	Title	Date
Owner/Partner/Member	Title	Date
Owner/Partner/Member	Title	Date

**(To be processed, all Owners/Partners/Members must sign above.)**

**Please provide a copy of the following Contractor Documents (if available).**

- **W-9(required)**
- **Homeowner/Contractor Agreement**
- **Copy of Itemized bid**
- **Applicable Licenses**
- **Liability Insurance**

## NOTICE TO BUILDING CONTRACTOR

Builder has applied for acceptance by Lender for use on one or more residential construction projects financed by Lender through a construction loan with its Borrower(s). Unless otherwise authorized in writing, the following requirements and guidelines govern every residential construction project financed by Lender.

1. **Builder Application Requirements.** The following documents must be provided to Lender:
  - Fully completed and executed Builder Registration Form
  - Copy of Valid State Contractor's License
  - Evidence of general liability insurance and workman's compensation insurance in the amount of at least \$1,000,000.00
  - Evidence of Worker's Compensation Insurance or Certificate of Exemption if Contractor has no employees
  - Legible copy of Contractor's valid driver's license or photo ID
  - Fully completed and executed IRS Form W-9
  
2. **Loan Requirements.** The following documents must be provided to Lender at or before the closing on the Borrower's loan or before the first draw, as noted below:
  - Verification or documentation of any prepaid items from customer or builder outside or against the contract (prior to project approval)
  - All building permits and/or other governmental approvals (before the first advance)
  - Notice of Commencement (if applicable) – must be posted at site prior to commencement of construction
  - Preliminary sworn statement (if applicable) – at first advance
  - Foundation Survey showing acceptable ingress and egress (before first advance)
  - Commitment for title insurance (at least five days prior to closing)
  - Copy of final Building Contract, to be approved by Lender (before final loan approval)
  - Copy of building plans/specs, to be approved by Lender (before final loan approval)
  - Appraisal to reflect work to be done during construction with anticipated value after completion
  - Indiana Only: Building Contract containing “no-lien” provision recorded within five days of execution.
  
3. **Requirements for Advances.** All advances will be made through the title insurance company or the Lender, unless Lender agrees otherwise in writing. The following are required for each advance:
  - Construction Disbursement Authorization form signed by at least one Borrower
  - State-Specific Sworn Statements, if applicable
  - Lien waivers
  - Title insurance policy endorsement sufficient to cover total amount of advances
  - Satisfactory inspection by Lender designee
  
4. **Limits on Construction Advances.** Limitations on the amounts that will be advanced for payment of construction include the following:
  - Builder will be allowed up to 10% of total construction costs to be disbursed at closing to start up project. All funds disbursed at the closing table will be netted out of first draw request.
  - 5 or 6 draws permitted according to Draw Schedule chosen for project.
  - Lender must receive the Borrower's signed authorization and supporting documentation at least 7 business days prior to advance
  - The maximum amount of each advance will be determined by the chosen Draw Schedule and based on work that has been completed as supported by inspection that has been requested by Lender.

5. **Retainage and Final Advance.** Unless otherwise authorized by Lender, a retainage of 10% of the loan amount will be retained by Lender, at final draw, until the satisfactory completion of construction. In order to release the final draw, Lender requires:
  - Final Certificate of Occupancy
  - Final inspection indicating that construction is 100% complete and built in accordance with the approved plans and specifications
  - Final title endorsement in full amount of loan
  - Receipt of “Construction Disbursement Authorization” fully executed by at least one Borrower
  
6. **Change Orders and Changes to Building Contract and Plans.** All changes to the approved Building Contract must be through written change orders that are signed by at least one Borrower, Builder, and approved by Lender in writing, Borrower must pay for change orders at the time they are entered into. The Lender has no obligation to fund change orders. Written approval by Lender is required for any change in the approved building contract, plans and specifications and/or any increase in the cost of the construction. Loan amount will not be increased to fund change orders.
  
7. **Termination of Construction Loan: Remedies.** Without limitation, Lender may terminate the construction loan and exercise its remedies if:
  - Construction ceases for 21 days
  - Construction is not satisfactorily completed with a final certificate of occupancy by the Construction Completion Date negotiated between the buyer and lender
  - Builder defaults on the building contract, license is not in good standing, or construction violates any law, rule, or regulation
  - Any other Event of Default occurs under the Construction Loan Agreement
  
8. **VA Construction Financing Only.**
  - Builder will be required to provide all municipality inspection reports at or prior to final draw request.
  - If municipality inspection reports are not available, then Builder will offer a 10 Year Warranty Program.
  - Builder will be required to pay interest on accumulated draw balance during construction period.
  - Builder will be required to sign VA Builder’s Agreement to Pay Interest.
  - Builder will be required to pay for Home Owner’s Insurance during construction period only.
  - Builder will pay extension fee(s) if construction is not complete prior to the Construction Completion Date identified in this Notice. Extension fee is identified in the VA Builder’s Agreement to Pay Interest.
  - Builder will pay title update fee and draw inspection fees.
  - Final interest, any outstanding interest, extension fee, or builder paid fees will be deducted from final draw requested by builder.

**The above-stated Notice provides Builder with a summary of Lender’s construction loan practices and does not create any contractual or other obligation between Builder and Lender. Nothing contained herein shall require Lender to accept or to continue to accept Builder for any construction project, which remains within the sole discretion of Lender.**

By signing below, Builder acknowledges receipt of the above Notice and further agrees that if Borrower defaults on the loan, upon notice from Lender, Builder will perform its building contract for Lender provided that any defaults of Borrower under the building contract are remedied. In that event, Builder agrees Lender has the right to use any plans and specifications for the home to complete the construction.

Builder: \_\_\_\_\_

By (printed): \_\_\_\_\_

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

## DIRECT COSTS 5 STAGE DRAW SCHEDULE

<b>HOMEBUYER NAME</b> <input style="width: 100%;" type="text"/>	<b>Contract Amount</b> - Indirects - Land - Initial Builder Deposit = LIP Direct Costs	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: right;">\$</td><td style="text-align: center;">-</td></tr> <tr><td style="text-align: right;">\$</td><td style="text-align: center;">-</td></tr> <tr><td style="text-align: right;">\$</td><td style="text-align: center;">-</td></tr> <tr><td style="text-align: right;">\$</td><td style="text-align: center;">-</td></tr> </table>	\$	-	\$	-	\$	-	\$	-
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<b>LOAN NUMBER</b> <input style="width: 100%;" type="text"/>										

STAGE AND DESCRIPTION	PERCENT OF TOTAL COSTS TO BE PAID	CORRESPONDING DOLLARS TO BE PAID								
<b>Foundation - Stage 1</b> Site excavation complete Foundation in place Underground plumbing in place Concrete slab, if applicable	15%  less initial advance less prepaid (other than deposit)  less 10% holdback Balance available	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: right;">\$</td><td style="text-align: center;">-</td></tr> <tr><td style="text-align: right;">\$</td><td style="text-align: center;">-</td></tr> <tr><td style="text-align: right;">\$</td><td style="text-align: center;">-</td></tr> <tr><td style="text-align: right;">\$</td><td style="text-align: center;">-</td></tr> </table>	\$	-	\$	-	\$	-	\$	-
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<b>Rough Framing - Stage 2</b> First floor deck complete Rough lumber is on site Rough framing complete Rafters complete Windows / skylights, external doors installed External insulation and sheathing complete	25%  Less advance / prepaid balance forward  less 10% holdback Balance available	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: right;">\$</td><td style="text-align: center;">-</td></tr> <tr><td style="text-align: right;">\$</td><td style="text-align: center;">-</td></tr> <tr><td style="text-align: right;">\$</td><td style="text-align: center;">-</td></tr> <tr><td style="text-align: right;">\$</td><td style="text-align: center;">-</td></tr> </table>	\$	-	\$	-	\$	-	\$	-
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<b>Roof / Electrical / Plumbing - Stage 3</b> Stacked Roof Rough electrical complete Rough plumbing complete Framing inspection acknowledged	20%  Less advance / prepaid balance forward  less 10% holdback Balance available	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: right;">\$</td><td style="text-align: center;">-</td></tr> <tr><td style="text-align: right;">\$</td><td style="text-align: center;">-</td></tr> <tr><td style="text-align: right;">\$</td><td style="text-align: center;">-</td></tr> <tr><td style="text-align: right;">\$</td><td style="text-align: center;">-</td></tr> </table>	\$	-	\$	-	\$	-	\$	-
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<b>Rough Finish - Stage 4</b> Finished Roof Rough heating and air conditioning complete Interior plastering and/or drywall complete Interior insulation complete Exterior masonry or siding complete Garage door installed Exterior primer paint on wood portions All cabinets are installed	20%  Less advance / prepaid balance forward  less 10% holdback Balance available	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: right;">\$</td><td style="text-align: center;">-</td></tr> <tr><td style="text-align: right;">\$</td><td style="text-align: center;">-</td></tr> <tr><td style="text-align: right;">\$</td><td style="text-align: center;">-</td></tr> <tr><td style="text-align: right;">\$</td><td style="text-align: center;">-</td></tr> </table>	\$	-	\$	-	\$	-	\$	-
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<b>Construction Complete / Final Draw - Stage 5</b> All floors and floor covering complete All countertops complete All major bathroom fixtures installed Interior and exterior painting complete All plumbing, trim fixtures, registers complete All light fixtures, switches and receptacles installed All appliances installed All landscaping complete All walks and driveways complete Construction is complete Notice of completion has been filed Either Condition 1 or 2 below is met	20%  less 10% holdback Balance available	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: right;">\$</td><td style="text-align: center;">-</td></tr> <tr><td style="text-align: right;">\$</td><td style="text-align: center;">-</td></tr> <tr><td style="text-align: right;">\$</td><td style="text-align: center;">-</td></tr> </table>	\$	-	\$	-	\$	-
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<p><b>Condition 1:</b> Each of (a), (b), and (c) exist as follows:</p> <p>(a) No stop notices, liens, unpaid claims, or legal prohibitions shall be on file with the Lender and no mechanics' or materialmen's liens have been recorded against undisbursed Loan Proceeds, the Property or the Improvements.</p> <p>(b) There shall have been furnished to the Lender, an affidavit of the general contractor stating that the construction is complete and either stating that all subcontractors and materialmen have been paid in full or listing the subcontractors and materialmen who have not been paid in full and accompanied by appropriate lien waivers from those subcontractors and materialmen.</p> <p>(c) The Borrower shall then request in writing that such disbursement be made.</p> <p><b>Condition 2:</b> Each of (a), (b), and (c) exist as follows:</p> <p>(a) No stop notices, liens, unpaid claims or legal prohibitions shall be on file with the Lender and no mechanics' or materialmen's liens have been recorded against undisbursed Loan Proceeds, the Property or the Improvements.</p> <p>(b) There shall have been furnished to the Lender, an affidavit of the general contractor stating the date the construction was completed and at least one hundred twenty (120) days have expired since that date.</p> <p>(c) The Borrower shall then request in writing that such disbursement be made.</p>								

Builder Signature \_\_\_\_\_ Date \_\_\_\_\_

## DIRECT COSTS 6 STAGE DRAW SCHEDULE

<b>HOMEBUYER NAME</b> <input style="width: 100%;" type="text"/>	<b>Contract Amount</b>	
	- Indirects	\$ -
	- Land	\$ -
<b>LOAN NUMBER</b> <input style="width: 100%;" type="text"/>	- Contract Deposit	\$ -
	= LIP Direct Costs	\$ -

STAGE AND DESCRIPTION	PERCENT OF TOTAL COSTS TO BE PAID	CORRESPONDING DOLLARS TO BE PAID.
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<b>Foundation - Stage 1</b> Site excavation complete Foundation in place Underground plumbing in place Concrete slab, if applicable	20% less initial advance less prepaid (other than deposit) less 10% holdback Balance available	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>\$ -</td></tr> <tr><td>\$ -</td></tr> <tr><td>\$ -</td></tr> <tr><td>\$ -</td></tr> <tr><td>\$ -</td></tr> </table>	\$ -	\$ -	\$ -	\$ -	\$ -
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<b>Rough Framing - Stage 2</b> First floor deck complete Rough lumber is on site Rough framing complete Rafters complete Windows / skylights, external doors installed External insulation and sheathing complete	25% Less advance / prepaid balance forward less 10% holdback Balance available	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>\$ -</td></tr> <tr><td>\$ -</td></tr> <tr><td>\$ -</td></tr> <tr><td>\$ -</td></tr> </table>	\$ -	\$ -	\$ -	\$ -
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<b>Roof / Electrical / Plumbing - Stage 3</b> Stacked Roof Rough plumbing complete Rough electrical complete Framing inspection acknowledged Rough heating and air conditioning complete	20% Less advance / prepaid balance forward less 10% holdback Balance available	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>\$ -</td></tr> <tr><td>\$ -</td></tr> <tr><td>\$ -</td></tr> <tr><td>\$ -</td></tr> </table>	\$ -	\$ -	\$ -	\$ -
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<b>Medium Finish - Stage 5</b> All cabinets are installed All floors and floor covering complete All countertops complete All major bathroom fixtures installed Interior and exterior painting complete	10% less 10% holdback Balance available	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>\$ -</td></tr> <tr><td>\$ -</td></tr> <tr><td>\$ -</td></tr> </table>	\$ -	\$ -	\$ -
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<b>Construction Complete - Stage 6</b> All plumbing, trim fixtures, registers complete All light fixtures, switches and receptacles installed All appliances installed All landscaping complete All walks and driveways complete Construction is complete Notice of completion has been filed Either Condition 1 or 2 below is met	10% less 10% holdback Balance available	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>\$ -</td></tr> <tr><td>\$ -</td></tr> <tr><td>\$ -</td></tr> </table>	\$ -	\$ -	\$ -
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<p><b>Condition 1:</b> Each of (a), (b), and (c) exist as follows:</p> <ul style="list-style-type: none"> <li>(a) No stop notices, liens, unpaid claims, or legal prohibitions shall be on file with the Lender and no mechanics' or materialmen's liens have been recorded against undisbursed Loan Proceeds, the Property or the Improvements.</li> <li>(b) There shall have been furnished to the Lender, an affidavit of the general contractor stating that the construction is complete and either stating that all subcontractors and materialmen have been paid in full or listing the subcontractors and materialmen who have not been paid in full and accompanied by appropriate lien waivers from those subcontractors and materialmen.</li> <li>(c) The Borrower shall then request in writing that such disbursement be made.</li> </ul> <p><b>Condition 2:</b> Each of (a), (b), and (c) exist as follows:</p> <ul style="list-style-type: none"> <li>(a) No stop notices, liens, unpaid claims or legal prohibitions shall be on file with the Lender and no mechanics' or materialmen's liens have been recorded against undisbursed Loan Proceeds, the Property or the Improvements.</li> <li>(b) There shall have been furnished to the Lender, an affidavit of the general contractor stating the date the construction was completed and at least one hundred twenty (120) days have expired since that date.</li> <li>(c) The Borrower shall then request in writing that such disbursement be made.</li> </ul>					

Builder Signature \_\_\_\_\_ Date \_\_\_\_\_



# Request for Taxpayer Identification Number and Certification

**Give Form to the  
requester. Do not  
send to the IRS.**

<b>Print or type See Specific Instructions on page 2.</b>	<b>1</b> Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.	
	<b>2</b> Business name/disregarded entity name, if different from above	
	<b>3</b> Check appropriate box for federal tax classification; check only <b>one</b> of the following seven boxes: <input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) <sup>a</sup> _____ <b>Note.</b> For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner. <input type="checkbox"/> Other (see instructions) <sup>a</sup>	
	<b>4</b> Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <i>(Applies to accounts maintained outside the U.S.)</i>	
	<b>5</b> Address (number, street, and apt. or suite no.)	
	<b>6</b> City, state, and ZIP code	
	<b>7</b> List account number(s) here (optional)	

## Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number									

**OR**

Employer identification number									

**Note.** If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

## Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

<b>Sign Here</b>	Signature of U.S. person	Date
------------------	--------------------------	------

## General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.  
**Future developments.** Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at [www.irs.gov/fw9](http://www.irs.gov/fw9).

### Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)

- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

*If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding? on page 2.*

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.

**Note.** If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

**Definition of a U.S. person.** For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

**Special rules for partnerships.** Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States:

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

**Foreign person.** If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

**Nonresident alien who becomes a resident alien.** Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

**Example.** Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

## Backup Withholding

**What is backup withholding?** Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

**Payments you receive will be subject to backup withholding if:**

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),

3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code* on page 3 and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships* above.

## What is FATCA reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code* on page 3 and the Instructions for the Requester of Form W-9 for more information.

## Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

## Penalties

**Failure to furnish TIN.** If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

**Civil penalty for false information with respect to withholding.** If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

**Criminal penalty for falsifying information.** Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

**Misuse of TINs.** If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

## Specific Instructions

### Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account, list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

**Note. ITIN applicant:** Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or "doing business as" (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C Corporation, or S Corporation.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulations section 301.7701-2(c)(2)(iii). Enter the owner's name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2, "Business name/disregarded entity name." If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

**Line 2**

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

**Line 3**

Check the appropriate box in line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box in line 3.

**Limited Liability Company (LLC).** If the name on line 1 is an LLC treated as a partnership for U.S. federal tax purposes, check the "Limited Liability Company" box and enter "P" in the space provided. If the LLC has filed Form 8832 or 2553 to be taxed as a corporation, check the "Limited Liability Company" box and in the space provided enter "C" for C corporation or "S" for S corporation. If it is a single-member LLC that is a disregarded entity, do not check the "Limited Liability Company" box; instead check the first box in line 3 "Individual/sole proprietor or single-member LLC."

**Line 4, Exemptions**

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space in line 4 any code(s) that may apply to you.

**Exempt payee code.**

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)

2—The United States or any of its agencies or instrumentalities

3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

4—A foreign government or any of its political subdivisions, agencies, or instrumentalities

5—A corporation

6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession

7—A futures commission merchant registered with the Commodity Futures Trading Commission

8—A real estate investment trust

9—An entity registered at all times during the tax year under the Investment Company Act of 1940

10—A common trust fund operated by a bank under section 584(a) 11—A financial institution

12—A middleman known in the investment community as a nominee or custodian

13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over \$600 required to be reported and direct sales over \$5,000 <sup>1</sup>	Generally, exempt payees 1 through 5 <sup>2</sup>
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

<sup>1</sup> See Form 1099-MISC, Miscellaneous Income, and its instructions.

<sup>2</sup> However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

**Exemption from FATCA reporting code.** The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a) J—

A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

**Note.** You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

**Line 5**

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns.

**Line 6**

Enter your city, state, and ZIP code.

**Part I. Taxpayer Identification Number (TIN)**

**Enter your TIN in the appropriate box.** If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited Liability Company (LLC)* on this page), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

**Note.** See the chart on page 4 for further clarification of name and TIN combinations.

**How to get a TIN.** If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at [www.ssa.gov](http://www.ssa.gov). You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at [www.irs.gov/businesses](http://www.irs.gov/businesses) and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting [IRS.gov](http://IRS.gov) or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

**Note.** Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

**Caution:** A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

**Part II. Certification**

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, or 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code* earlier.

**Signature requirements.** Complete the certification as indicated in items 1 through 5 below.

- 1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.** You must give your correct TIN, but you do not have to sign the certification.
- 2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.** You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.
- 3. Real estate transactions.** You must sign the certification. You may cross out item 2 of the certification.
- 4. Other payments.** You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).
- 5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions.** You must give your correct TIN, but you do not have to sign the certification.

**What Name and Number To Give the Requester**

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account <sup>1</sup>
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor <sup>2</sup>
4. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law	The grantor-trustee <sup>1</sup> The actual owner <sup>1</sup>
5. Sole proprietorship or disregarded entity owned by an individual	The owner <sup>3</sup>
6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor*
For this type of account:	Give name and EIN of:
7. Disregarded entity not owned by an individual	The owner
8. A valid trust, estate, or pension trust	Legal entity <sup>4</sup>
9. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
10. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
11. Partnership or multi-member LLC	The partnership
12. A broker or registered nominee	The broker or nominee
13. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))	The trust

<sup>1</sup> List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

<sup>2</sup> Circle the minor's name and furnish the minor's SSN.

<sup>3</sup> You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

<sup>4</sup> List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 2.

\*Note. Grantor also must provide a Form W-9 to trustee of trust.

**Note.** If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

**Secure Your Tax Records from Identity Theft**

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Publication 4535, Identity Theft Prevention and Victim Assistance.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

**Protect yourself from suspicious emails or phishing schemes.** Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to [phishing@irs.gov](mailto:phishing@irs.gov). You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: [spam@uce.gov](mailto:spam@uce.gov) or contact them at [www.ftc.gov/idtheft](http://www.ftc.gov/idtheft) or 1-877-IDTHEFT (1-877-438-4338).

Visit [IRS.gov](http://IRS.gov) to learn more about identity theft and how to reduce your risk.

**Privacy Act Notice**

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

## STATEMENT OF EXEMPTION FROM WORKER'S COMPENSATION

Date: \_\_\_\_\_

Company Name: \_\_\_\_\_

I, \_\_\_\_\_, do hereby state that based on the laws governing the state(s) in which the company operates, the company is exempt from worker's compensation insurance requirements.

Please check the appropriate box below:

- Contractor has no employees, in the field or office staff. All work is "subcontracted out", and therefore, the Contractor would not be required to carry Worker's Compensation Insurance.
- Worker's Compensation is included in my State licensing fees.

Signature: \_\_\_\_\_

Title: \_\_\_\_\_



Department of Veterans Affairs

DESCRIPTION OF MATERIALS

PRIVACY ACT NOTICE: VA will not disclose information collected on this form to any source other than what has been authorized under the Privacy Act of 1974 or Title 38, CFR 1.576 for routine uses (for example: Authorizing release of information to Congress when requested for statistical purposes) as identified in the VA system of records, 55VA26, Loan Guaranty Home, Condominium and Manufactured Home Loan Applicant Records, Specially Adapted Housing Applicant Records, and Vendee Loan Applicant Records - VA, 17VA26, Loan Guaranty Fee Personnel and Program Participant Records - VA, and published in the Federal Register. Your obligation to respond is required to obtain or retain benefits.

RESPONDENT BURDEN: We need this information to establish the value and or cost of adaptations or new construction before work begins. Title 38, U.S.C. authorizes collections of this information. We estimate that you will need an average of 30 minutes to review the instructions, find the information, and complete this form. VA cannot conduct or sponsor a collection of information unless a valid OMB control number is displayed. You are not required to respond to a collection of information if this number is not displayed. Valid OMB control numbers can be located on the OMB Internet Page at [www.reginfo.gov/public/do/PRAMain](http://www.reginfo.gov/public/do/PRAMain). If desired, you can call 1-800-827-1000 to get information on where to send comments or suggestions about this form.

PROPOSED CONSTRUCTION     UNDER CONSTRUCTION    CASE NO. \_\_\_\_\_

PROPERTY ADDRESS (Include City and State)

NAME AND ADDRESS OF LENDER OR SPONSOR

NAME AND ADDRESS OF CONTRACTOR OR BUILDER

INSTRUCTIONS

1. For additional information on how this form is to be submitted, number of copies, etc., see the instructions in the VA Lender's Handbook.
2. Describe all materials and equipment to be used, whether or not shown on the drawings, by marking an X in each appropriate check-box and entering the information called for each space. If space is inadequate, enter "See misc." and describe under item 27 or on an attached sheet. **The use of paint containing more than the percentage of lead by weight permitted by law is prohibited.**
3. Work not specifically described or shown will not be considered unless required, then the minimum acceptable will be assumed. Work exceeding minimum requirements cannot be considered unless specifically described.
4. Include no alternates, "or equal" phrases, or contradictory items. (Consideration of a request for acceptance of substitute materials or equipment is not thereby precluded.)
5. Include signatures required at the end of this form.
6. The construction shall be completed in compliance with the related drawings and specifications, as amended during processing. The specifications include this Description of Materials and the applicable Minimum Property Requirements.

1. EXCAVATION

Bearing soil, type \_\_\_\_\_

2. FOUNDATIONS

Footings concrete mix \_\_\_\_\_ strength psi \_\_\_\_\_ Reinforcing \_\_\_\_\_ Foundation wall material \_\_\_\_\_  
 \_\_\_\_\_ Reinforcing \_\_\_\_\_  
 Interior foundation wall material \_\_\_\_\_ Party foundation \_\_\_\_\_ wall \_\_\_\_\_  
 \_\_\_\_\_ Columns material and sizes \_\_\_\_\_  
 \_\_\_\_\_ Piers material \_\_\_\_\_ and \_\_\_\_\_ reinforcing \_\_\_\_\_  
 Girders material and sizes \_\_\_\_\_ Sills material \_\_\_\_\_  
 Basement entrance areaway \_\_\_\_\_ Window areaways \_\_\_\_\_  
 Waterproofing \_\_\_\_\_ Footing drains \_\_\_\_\_  
 Termite protection \_\_\_\_\_  
 Basement space ground cover \_\_\_\_\_ insulation \_\_\_\_\_ foundation vents \_\_\_\_\_  
 Special foundations \_\_\_\_\_  
 Additional information \_\_\_\_\_

3. CHIMNEYS

Material \_\_\_\_\_ Prefabricated (make \_\_\_\_\_ and \_\_\_\_\_ size) \_\_\_\_\_  
 \_\_\_\_\_ Flue lining material \_\_\_\_\_ Heater flue size \_\_\_\_\_  
 \_\_\_\_\_ Fireplace flue \_\_\_\_\_ size \_\_\_\_\_ Vents (material and size) gas or oil heater \_\_\_\_\_  
 \_\_\_\_\_ water heater \_\_\_\_\_ Additional information \_\_\_\_\_

4. FIREPLACES

Type  solid fuel     gas-burning     circulator (make and size) \_\_\_\_\_ Ash dump \_\_\_\_\_ and \_\_\_\_\_ clean-out \_\_\_\_\_  
 Fireplace facing \_\_\_\_\_ lining \_\_\_\_\_ hearth \_\_\_\_\_ mantel \_\_\_\_\_  
 Additional information \_\_\_\_\_

**5. EXTERIOR WALLS**

Wood frame wood grade, and species \_\_\_\_\_ Corner bracing \_\_\_\_\_ Building paper or felt \_\_\_\_\_  
 Sheathing \_\_\_\_\_ thickness \_\_\_\_\_ width \_\_\_\_\_  solid  spaced \_\_\_\_\_ o.c.  diagonal \_\_\_\_\_  
 Siding \_\_\_\_\_ grade \_\_\_\_\_ type \_\_\_\_\_ size \_\_\_\_\_ exposure \_\_\_\_\_ fastening \_\_\_\_\_  
 Shingles \_\_\_\_\_ grade \_\_\_\_\_ type \_\_\_\_\_ size \_\_\_\_\_ exposure \_\_\_\_\_ fastening \_\_\_\_\_  
 Stucco \_\_\_\_\_ thickness \_\_\_\_\_ Lath \_\_\_\_\_ weight lb. Masonry veneer \_\_\_\_\_  
 Sills \_\_\_\_\_ Lintels \_\_\_\_\_ Base flashing \_\_\_\_\_  
 Masonry  solid  faced  stuccoed total wall thickness \_\_\_\_\_ facing thickness \_\_\_\_\_ facing material \_\_\_\_\_  
 Backup material \_\_\_\_\_ thickness bonding \_\_\_\_\_  
 Door sills \_\_\_\_\_ Window sills \_\_\_\_\_ Lintels \_\_\_\_\_ Base flashing \_\_\_\_\_ Interior surfaces dampproofing, \_\_\_\_\_  
 \_\_\_\_\_ coats of \_\_\_\_\_ furring \_\_\_\_\_  
 Additional information \_\_\_\_\_  
 Exterior painting material \_\_\_\_\_ number of coats \_\_\_\_\_  
 Gable wall construction  same as main walls  other construction \_\_\_\_\_

**6. FLOOR FRAMING**

Joists wood, grade, and species \_\_\_\_\_ other \_\_\_\_\_ bridging \_\_\_\_\_ anchors \_\_\_\_\_  
 Concrete slab  basement floor  first floor  ground supported  self-supporting mix \_\_\_\_\_ thickness \_\_\_\_\_  
 reinforcing \_\_\_\_\_ insulation \_\_\_\_\_ membrane \_\_\_\_\_  
 Fill under slab material \_\_\_\_\_ thickness \_\_\_\_\_  
 Additional information \_\_\_\_\_

**7. SUBFLOORING** (Describe underflooring for special floors under item 21)

Material grade and species \_\_\_\_\_ size \_\_\_\_\_ type \_\_\_\_\_  
 Laid  first floor  second floor  attic \_\_\_\_\_ sq. ft.  diagonal  right angles  
 Additional information \_\_\_\_\_

**8. FINISH FLOORING** (Wood only. Describe other finish flooring under item 21)

Location	Rooms	Grade	Species	Thickness	Width	Bldg. Paper	Finish
First floor							
Second floor							
Attic floor	sq. ft.						

Additional information \_\_\_\_\_

**9. PARTITION FRAMING**

Studs wood, grade, and species \_\_\_\_\_ size and spacing \_\_\_\_\_ Other \_\_\_\_\_  
 Additional information \_\_\_\_\_

**10. CEILING FRAMING**

Joists wood, grade, and species \_\_\_\_\_ Other \_\_\_\_\_ Bridging \_\_\_\_\_  
 Additional information \_\_\_\_\_

**11. ROOF FRAMING**

Rafters wood, grade and species \_\_\_\_\_ Roof trusses (see detail) grade and species \_\_\_\_\_  
 Additional information \_\_\_\_\_

**12. ROOFING**

Sheathing wood, grade, and species \_\_\_\_\_  solid  spaced o.c. Roofing grade \_\_\_\_\_  
 \_\_\_\_\_ size \_\_\_\_\_ type \_\_\_\_\_ Underlay \_\_\_\_\_  
 \_\_\_\_\_ weight or thickness \_\_\_\_\_ size fastening \_\_\_\_\_ Built-up roofing \_\_\_\_\_  
 \_\_\_\_\_ number of piles \_\_\_\_\_ surfacing material \_\_\_\_\_  
 \_\_\_\_\_ Flashing material \_\_\_\_\_ gauge or weight  \_\_\_\_\_  
 \_\_\_\_\_ gravel stops \_\_\_\_\_ snow guards Additional information \_\_\_\_\_

**13. GUTTERS AND DOWNSPOUTS**

Gutters material \_\_\_\_\_ gauge or weight \_\_\_\_\_ size \_\_\_\_\_ shape \_\_\_\_\_  
Downspouts material \_\_\_\_\_ gauge or weight \_\_\_\_\_ size \_\_\_\_\_ shape \_\_\_\_\_ number \_\_\_\_\_  
Downspouts connected to  Storm sewer  sanitary sewer  dry well  Splash blocks material \_\_\_\_\_ and size \_\_\_\_\_  
\_\_\_\_\_ Additional information

**14. LATH AND PLASTER**

Lath  walls  ceilings material \_\_\_\_\_ weight or thickness \_\_\_\_\_ Plaster coats \_\_\_\_\_ finish \_\_\_\_\_  
Dry-wall  walls  ceilings material \_\_\_\_\_ thickness \_\_\_\_\_ finish \_\_\_\_\_  
Joint treatment \_\_\_\_\_

**15. DECORATING (Paint, wallpaper, etc.)**

Rooms	Wall Finish Material and Application	Ceiling Finish Material and Application
Kitchen		
Bath		
Other		

Additional Information

**16. INTERIOR DOORS AND TRIM**

Doors type \_\_\_\_\_ material \_\_\_\_\_ thickness \_\_\_\_\_ Door trim type \_\_\_\_\_  
material \_\_\_\_\_ Base type \_\_\_\_\_ material \_\_\_\_\_ size \_\_\_\_\_ Finish doors \_\_\_\_\_  
\_\_\_\_\_ trim \_\_\_\_\_ Other \_\_\_\_\_ trim  
(item, type and location) \_\_\_\_\_  
\_\_\_\_\_ Additional Information

**17. WINDOWS**

Windows type \_\_\_\_\_ make \_\_\_\_\_ material \_\_\_\_\_ sash thickness \_\_\_\_\_  
Glass grade \_\_\_\_\_  sash weights  balances, type \_\_\_\_\_ head flashing \_\_\_\_\_ Trim type \_\_\_\_\_  
\_\_\_\_\_ material \_\_\_\_\_ Paint \_\_\_\_\_ number coats \_\_\_\_\_ Weatherstripping type \_\_\_\_\_  
\_\_\_\_\_ material \_\_\_\_\_ Storm sash, number \_\_\_\_\_ Screens full  
 half type \_\_\_\_\_ number \_\_\_\_\_ screen cloth material \_\_\_\_\_ Basement windows type \_\_\_\_\_  
\_\_\_\_\_ material \_\_\_\_\_ screens, number \_\_\_\_\_ Storm sash, number \_\_\_\_\_  
Special windows \_\_\_\_\_ Additional Information

**18. ENTRANCES AND EXTERIOR DETAIL**

Main entrance door material \_\_\_\_\_ width \_\_\_\_\_ thickness \_\_\_\_\_ Frame material \_\_\_\_\_ thickness \_\_\_\_\_  
Other entrance doors material \_\_\_\_\_ width \_\_\_\_\_ thickness \_\_\_\_\_ Frame material \_\_\_\_\_ thickness \_\_\_\_\_  
Head flashing \_\_\_\_\_ Weatherstripping type \_\_\_\_\_ saddles \_\_\_\_\_ Screen doors  
thickness \_\_\_\_\_ number screen cloth material \_\_\_\_\_ Storm doors thickness \_\_\_\_\_ number \_\_\_\_\_  
Combination storm and screen doors thickness \_\_\_\_\_ number \_\_\_\_\_ screen cloth material \_\_\_\_\_ Shutters  
 hinged  fixed Railings \_\_\_\_\_ Attic louvers \_\_\_\_\_  
Exterior millwork grade and species \_\_\_\_\_ Paint \_\_\_\_\_ number coats \_\_\_\_\_ Additional  
Information

**19. CABINETS AND INTERIOR DETAIL**

Kitchen cabinets, wall units material \_\_\_\_\_ lineal feet of shelves \_\_\_\_\_ shelf width \_\_\_\_\_  
Base units material \_\_\_\_\_ counter top \_\_\_\_\_ edging \_\_\_\_\_  
Back and end splash \_\_\_\_\_ Finish of cabinets \_\_\_\_\_ number coats \_\_\_\_\_ Medicine cabinets make \_\_\_\_\_  
\_\_\_\_\_ model \_\_\_\_\_  
\_\_\_\_\_ Other cabinets and built-in furniture \_\_\_\_\_  
\_\_\_\_\_ Additional Information



**20. STAIRS**

Stair	Treads		Risers		Stringers		Handrail		Balusters	
	Material	Thickness	Material	Thickness	Material	Size	Material	Size	Material	Size
Basement										
Main										
Attic										

Disappearing make and model number \_\_\_\_\_

Additional Information

**21. SPECIAL FLOORS AND WAINSCOT** (Describe Carpet as listed in Certified Products Directory)

Floors	Location	Material, Color, Border, Sizes, Gauge, Etc.	Threshold Material	Wall Base Material	Underfloor Material
	Kitchen				
	Bath				

  

Wainscot	Location	Material, Color, Border, Cap, Sizes, Gauge, Etc.	Height	Height Over Tub	Height in Showers (From Floor)
	Bath				

Additional Information

**22. PLUMBING**

Fixture	Number	Location	Make	MFR's Fixture Identification No.	Size	Color
Sink						
Lavatory						
Water closet						
Bathtub						
Shower over tub						
Stall shower						
Laundry trays						

Bathroom accessories  Recessed material \_\_\_\_\_ number \_\_\_\_\_  Attached material \_\_\_\_\_ number \_\_\_\_\_

Additional Information

Curtain rod  Door  Shower pan material \_\_\_\_\_ *\*(Show and describe individual system in complete detail in separate drawings and specifications according to requirements.)\**

Water supply  public  community system  individual (private) system\*

Sewage disposal  public  community system  individual (private) system\*

House drain (inside)  cast iron  tile  other \_\_\_\_\_ House sewer (outside)  cast iron  tile  other \_\_\_\_\_

Water piping  galvanized steel  copper tubing  other \_\_\_\_\_ Sill cocks, number \_\_\_\_\_ Domestic water heater type \_\_\_\_\_ make and model \_\_\_\_\_ heating capacity \_\_\_\_\_ gph. 100° rise. Storage tank material \_\_\_\_\_ capacity \_\_\_\_\_ gallons Gas service  utility company  liq. pet. gas  other \_\_\_\_\_  Gas piping  cooking  house heating

Footing drains connected to  Storm sewer  sanitary sewer  dry well  Sump pump make and model \_\_\_\_\_ capacity \_\_\_\_\_ discharges into \_\_\_\_\_

Additional Information

**23. HEATING**

Hot water     Steam     Vapor     One-pipe system     Two-pipe system  
 Radiators     Convectors     Baseboard    radiation    Make \_\_\_\_\_ and model \_\_\_\_\_  
 \_\_\_\_\_     Radiant panel     floor    wall    ceiling    Panel  
 coil     \_\_\_\_\_ material \_\_\_\_\_  
Circulator    Return pump make and model \_\_\_\_\_ capacity \_\_\_\_\_ gpm.

Boiler make and model \_\_\_\_\_ Output \_\_\_\_\_ Btuh. net rating \_\_\_\_\_ Btuh.

Additional Information \_\_\_\_\_

Warm air    Gravity    Forced    Type of system \_\_\_\_\_

Duct material supply \_\_\_\_\_ return \_\_\_\_\_ insulation \_\_\_\_\_ thickness \_\_\_\_\_ Outside air intake

Furnace make and model \_\_\_\_\_ Input \_\_\_\_\_ Btuh. Output \_\_\_\_\_ Btuh. Additional Information

Information \_\_\_\_\_

Space heater     floor furnace     wall heater    Input \_\_\_\_\_ Btuh. Output \_\_\_\_\_ Btuh. number units \_\_\_\_\_

Make and model \_\_\_\_\_ Additional Information \_\_\_\_\_

Controls make and types \_\_\_\_\_

Additional Information \_\_\_\_\_

Fuel     Coal     oil     gas     liq. pet. gas     electric     other \_\_\_\_\_ storage capacity \_\_\_\_\_

Additional Information \_\_\_\_\_

Firing equipment furnished separately     Gas burner, conversion type     Stoker hopper feed     bin feed

Oil burner     pressure atomizing     vaporizing \_\_\_\_\_

Make and model \_\_\_\_\_

Control \_\_\_\_\_

Additional Information \_\_\_\_\_

Electric heating system type \_\_\_\_\_ Input \_\_\_\_\_ watts @ \_\_\_\_\_ volts output \_\_\_\_\_ Btuh.

Additional Information \_\_\_\_\_

Ventilating equipment     attic fan, make and model \_\_\_\_\_ capacity \_\_\_\_\_ cfm.

kitchen exhaust fan, make and model \_\_\_\_\_

Other heating, ventilating, or cooling equipment \_\_\_\_\_

Additional Information \_\_\_\_\_

**24. ELECTRICAL WIRING**

Service  overhead  underground    Panel  fuse box  circuit-breaker make AMP's \_\_\_\_\_ No. circuits \_\_\_\_\_

Wiring     conduit     armored cable     nonmetallic cable     knob and tube     other \_\_\_\_\_

Special outlets     range     water heater     other \_\_\_\_\_

Doorbell     Chimes     Push-button locations \_\_\_\_\_

Additional Information \_\_\_\_\_

**25. LIGHTING FIXTURES**

Total number of fixtures \_\_\_\_\_ Total allowance for fixtures, typical installation, \$ \_\_\_\_\_ Nontypical installation \_\_\_\_\_

\_\_\_\_\_ Additional Information \_\_\_\_\_

**26. INSULATION**

Location	Thickness	Material, Type, and Method of Installation	Vapor Barrier
Roof			
Ceiling			
Wall			
Floor			

**27. MISCELLANEOUS:** (Describe any main dwelling materials, equipment, or construction items not shown elsewhere; or use to provide additional information where the space provided was inadequate. Always reference by item number to correspond to numbering used on this form.)

**HARDWARE** (make, material, and finish)

**SPECIAL EQUIPMENT** (State material or make, model and quantity. Include only equipment and appliances which are acceptable by local and Federal law. Do not include items which, by established custom, are supplied by occupant and removed when he vacates premises or chattels prohibited by law from becoming realty.)

**PORCHES**

**TERRACES**

**GARAGES**

**WALKS AND DRIVEWAYS**

Driveway width \_\_\_\_\_ base material \_\_\_\_\_ thickness \_\_\_\_\_ surfacing material \_\_\_\_\_ thickness \_\_\_\_\_ Front walk width \_\_\_\_\_ material \_\_\_\_\_ thickness \_\_\_\_\_ Service walk width \_\_\_\_\_ material \_\_\_\_\_ thickness \_\_\_\_\_ Steps material \_\_\_\_\_ treads \_\_\_\_\_ risers \_\_\_\_\_ Cheek walls \_\_\_\_\_

**OTHER ONSITE IMPROVEMENTS**

(Specify all exterior onsite improvements not described elsewhere, including items such as unusual grading, drainage structures, retaining walls, fence, railings, and accessory structures.)

**LANDSCAPING, PLANTING, AND FINISH GRADING**

Topsoil \_\_\_\_\_ thick  front yard  side yards  rear yard to \_\_\_\_\_ feet behind main building  
 Lawns (seeded, sodded, or sprigged)  front yard \_\_\_\_\_  side yards \_\_\_\_\_  rear yard \_\_\_\_\_  
 Planting  as specified and shown on drawings  as follows:  
 \_\_\_\_\_ Shade trees deciduous \_\_\_\_\_ caliper \_\_\_\_\_ Evergreen trees \_\_\_\_\_ to \_\_\_\_\_ B & B  
 \_\_\_\_\_ Low flowering trees deciduous \_\_\_\_\_ to \_\_\_\_\_ Evergreen shrubs \_\_\_\_\_ to \_\_\_\_\_ B & B  
 \_\_\_\_\_ High-growing shrubs deciduous \_\_\_\_\_ to \_\_\_\_\_ Vines, 2-year \_\_\_\_\_  
 \_\_\_\_\_ Medium-growing shrubs deciduous \_\_\_\_\_ to \_\_\_\_\_ Other \_\_\_\_\_  
 \_\_\_\_\_ Low-growing shrubs deciduous \_\_\_\_\_ to \_\_\_\_\_

**IDENTIFICATION** –This exhibit shall be identified by the signature of the builder and/or the proposed purchaser if the latter is known at the time of application.

SIGNATURE OF BUILDER	DATE (MM/DD/YYYY)
SIGNATURE OF PURCHASER	DATE (MM/DD/YYYY)

**VA BUILDER'S AGREEMENT TO PAY INTEREST**

This VA BUILDER'S AGREEMENT TO PAY INTEREST ("Agreement"), entered into on this day of \_\_\_\_\_, 201\_ ("Effective Date"), by and between Midwest Loan Solutions, ("Lender") and \_\_\_\_\_("Builder").

WHEREAS, Lender and \_\_\_\_\_ ("Borrower") entered into a VA Construction Loan Agreement (the "Construction Loan Agreement"), whereby Lender has agreed to advance monies to Borrower relating to certain real property located at \_\_\_\_\_(the "Property") for the purpose of financing the construction of or improvement to the Property, to purchase the Property or to pay off or refinance an existing lien (the "Improvements");

WHEREAS, the Builder entered into a contract with Borrower relating to the construction of the Improvement to the Property.

NOW, THEREFORE, in consideration of the mutual recitals, promises and covenants set forth herein, and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree and consent as follows:

1. BUILDER'S PROMISE TO PAY

In return for the contract to construct the Improvements to the Property, Builder agrees to pay interest-only payments on the Borrower's promissory note to Lender of even date in the original principal sum of \_\_\_\_\_ (the "Loan") during the Construction Phase, as well as fees itemized into the order of the Lender. "Construction Phase" shall mean the time allotted to complete the Improvements to the Property, beginning on the Effective Date and ending on \_\_\_\_\_, subject to any extensions granted by the Lender. The payments will be made in the form of cash, check or money order.

1. INTEREST

Interest will be charged on unpaid principal until the full amount of the principal has been paid. During the Construction Phase, Builder will pay an interest rate of \_\_\_\_\_.

During the Construction Phase, interest will begin to accrue when the first advance for Improvements under the Note, Mortgage and Agreement with Borrower is advanced by Lender, including, but not limited to, disbursements made for closing costs at the initial closing, any land payoff and for payments or advances to the Builder.

2. PAYMENTS

Time and Place of Payments

Builder agrees to make a payment every month beginning on the Effective Date through the Construction Phase, subject to any extensions granted by the Lender. Payments of interest are due on the first day of each month beginning with the first day of the month following the first advance under the Agreement. Lender shall notify Builder of the amounts of the monthly interest payments due. If Builder does not receive a monthly statement showing the amount due, it is Builder's responsibility to contact Lender for the payment amount in sufficient time to timely make payment.

Builder will make monthly payments at \_\_\_\_\_ or at a different place if required by Lender.

4. VA CONSTRUCTION FEES

(A) Fees for Advance Disbursement. Builder agrees to pay the following fees for each advance made under the Agreement:

(1) Draw Inspection Fee. There is a fee for each advance, payable upon execution of this Agreement.

(2) Title Update Fee. There is a fee for each title inspection for each advance, payable upon execution of this Agreement.

(3) Foundation Survey. Lender shall receive a survey certified to Lender showing the boundaries of the building site and the location of the foundations and footings of the Property, when installed. Builder shall pay the fee for the Foundation Survey.

5. INSURANCE

Builder shall obtain a Builder's Risk Hazard Insurance or Homeowner's Insurance in an amount equal to the total cost of the Improvements, excluding the land, and the policy shall also provide insurance against theft, loss or damage to personal property and unincorporated materials on the Project.

6. CONSTRUCTION

(A) Completion. Builder agrees that construction of the Improvements will be completed by \_\_\_\_\_ (the "Construction Completion Date").

(B) Failure to Complete by Construction Completion Date. In the event that the Improvements are not completed to the satisfaction of Lender prior to the Construction Completion Date, at Lender's sole discretion and without any obligation to do so, Lender may extend the Construction Completion Date and, where applicable, the interest-only payments, for thirty (30) days upon payment of applicable extension fees. If extended, the Builder will be required to sign a modification document. Lender, however, has no obligation to provide Builder any extensions, either initially or after any prior extension has been made. Builder will pay a fee for each extension in the amount of .375% of the principal amount of the Loan.

(C) Builder, Building Contract, Plans and Permits. Builder must be a licensed building contractor that is acceptable to Lender. Builder must be a Veteran Affairs registered builder and have a Veterans Affairs ID number.

7. BUILDER'S FAILURE TO PAY AS REQUIRED

(A) Late Charge for Overdue Payments

If Lender has not received the full amount of any monthly interest payment by the end of \_\_\_\_\_ calendar days after the date it is due, Builder will pay a late charge to Lender. The amount of the charge will be \_\_\_\_\_% of the overdue payment of interest. Builder shall pay this late charge promptly but only once on each late payment.

(B) Default

If Builder fails to pay the full amount of each monthly interest payment on the date it is due, Builder will be in default.

(C) Payment of Lender's Costs and Expenses

If Builder is in default on the interest payments, Lender will have the right to be paid back for all of its costs and expenses in enforcing this Agreement to the extent not prohibited by applicable law. Those expenses include, but is not limited to, court costs and reasonable attorneys' fees.

8. GIVING OF NOTICES

Unless applicable law requires a different method, any notice that must be given under this Agreement shall be in writing and shall be given by personal service, certified mail, return receipt requested or by reputable overnight courier with package tracking capability and sent to Builder at the following address or such other address that Builder may specify in writing in accordance with this paragraph:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Any notice that must be given to the Lender under this Agreement will be given by delivering it or by mailing it by first class mail to the Lender at the address stated in Section 3(A) above or at a different address if I am given a notice of that different address.

9. CHOICE OF LAW AND FORUM

This Agreement shall be governed and controlled in all respects according to the laws of the State of Florida, without reference to its conflict of law provisions, including interpretation, enforceability, validity and construction. The parties submit to the jurisdiction and venue of the circuit court in the County where the Property is located, State of \_\_\_\_\_, with respect to any action arising, directly or indirectly, out of this Agreement or the performance or breach of this Agreement. The parties stipulate that the venues referenced in this Agreement are convenient.

10. JURY WAIVER

Builder and Lender acknowledge and agree that the right to trial by jury is a constitutional one, but that it may be waived. Each party, after consulting (or having had the opportunity to consult) with counsel of their choice, knowingly, voluntarily, and for their mutual benefit, waive any right to trial by jury in the event of litigation regarding the performance or enforcement of, or in any way related to, this Agreement.

11. SUCCESSORS AND ASSIGNS

Builder may not assign any right, obligation, or benefit under this Agreement without the express written consent of Lender. This Agreement shall be binding upon the permitted successors and assigns of Builder, and the rights and privileges of Lender under this Agreement shall inure to the benefit of its successors and assigns.

12. ENTIRE AGREEMENT; AMENDMENTS; WAIVER

This Agreement, together with the other written agreements between the parties, contains the entire agreement of the parties relating to the same subject matter or transactions and supersedes all prior negotiations, representations, discussions, understandings, and agreements. No employee or agent of Lender has authority to make any representation, promise, or warranty that is not expressly contained herein or in the other written agreements between the parties. Any amendment of this Agreement shall be in writing and shall require the signature of Builder and Lender. Any consent or waiver given by Lender must be in writing

and signed by Lender to be effective. A consent, waiver, or forbearance by Lender on any one occasion shall not be construed as a continuing consent, waiver, or forbearance effective on any other occasion.13.

WRITTEN AGREEMENT

The terms and conditions of this Agreement may not be modified or amended other than by a writing signed by both parties. This requirement of writing may not be modified orally or by course of conduct.

14. TIME OF ESSENCE

The parties hereto agree that time is of the essence to this Agreement.

15. ASSIGNABILITY

Builder hereby specifically grants unto Lender the right and privilege, at Lender's option, to transfer and assign to any third person or entity all or any part of Lender's rights hereunder, including without limitation the right to receive funds or payments hereunder.

16. CAPTIONS

Captions to sections, subsections and paragraphs of this Agreement have been provided solely for the sake of convenient reference and are entirely without substantive effect.

17. RECEIPT

Builder acknowledges receipt of a copy of this Agreement and that Builder has had an opportunity to review it and seek an attorney's advice before signing it.

This Agreement is executed and delivered on the day and year set forth above.

LENDER

BUILDER:

By: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_