

New Project Introduction/Set Up

Welcome to AES

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Before you can draw money from your construction loan there are a few things that your institution will require. This guide will assist you in this process. Remember you are responsible for all the money that goes into to your construction project.

Please visit: www.assevaluationservices.com and set up your account today!

ALL CONSTRUCTION LOANS MONITORED BY AES REQUIRE A BUILDING PERMIT

Permitting:

Proper permitting is vital to the success of your project. Please meet with your permitting office and let them know the full scope of your project. They will inform you of the steps you need to take to be protected. Improper permitting can result in the following:

- Work stoppage
- Fines
- Funding Delays
- The inability to acquire a Certificate of Occupancy
- Financial liability in the event of an insurance claim

Please contact AES with any questions in regards to proper permitting.

For more information on permitting for your municipality please visit:
www.assevaluationservices.com

Construction Budget:

This is the most vital part of your construction project. It will determine your success or failure! Having an accurate and detailed budget is vital. You need to make sure you are borrowing enough money to complete your project. Cost overruns are viewed as a mistake by most lending institutions. This mistake will cost you money! In short **...if the math does not add up... You don't have a project... you have a disaster!** AES will review your presented budget. We will make recommendation to you and your institution. A 10-20% contingency is advisable on all renovation projects and self-sub projects. If we can assist you in anyway, please let us know. **Please see attached Renovation example. You will be able to build your custom budget in the AES Construction Management system!**

Draw Process:

The draw process utilized by AES is essentially a way to disburse funds as needed for your project. We are here to assist you in any way we can. Every institution is different. If you follow this guide you should have no problems getting capital deployments when you need them.

Start Up Funds/Deposits

Due to recent events in the market place startup funds are no longer an option with most institutions. In most cases deposits will be funded with proper documentation. Primarily for high ticket items such as cabinets, windows, and appliances.

Most professional contractors have accounts with vendors. This should be investigated.

Self-Sub-Contractor

If this is a self-sub project, we would advise opening accounts with vendors to assist in this process. Most lumber, electrical and plumbing supply houses will issue 30-day credit terms. This will relieve your capital burden and allow sufficient progress to be made on the project to access the needed capital from your lending institution.

Your Project will be funded following one of two draw formats.

For new Construction not classified as a self-sub contracted project. Will follow a 5 draw schedule. You will be able to review this schedule in step 2 of your project setup. [See Attached Sample.](#)

All other project will be funded based on a line item draw schedule. You will be able to build this draw schedule to suit your projects needs in step 2 of the project setup. AES can also upload your budget in an excel format. [See Attached Sample.](#)

YOU WILL NEED SOME IF NOT ALL OF THE FOLLOWING DOCUMENTS IN ORDER TO BE FUNDED

Construction Project Documents:

1. Survey/Elevation Certificate
2. Flood Insurance: Payment and Application
3. Building Permit/Paid Application
4. Digital set of plans/ Sketch of Modification to the Existing Structure.
5. Builders Contract Fully Executed or List of all sub-contractors
6. Contactor Licenses Information and Insurance
7. Builders Risk Policy/Flood Policy
8. Budget-Schedule of Values-Draw schedule.

Please contact your lender for a specific list of required documents. This will expedite funding your first draw request!

FUNDS ARE DISBURSED BASED ON WORK IN PLACE.

This means that progress has to be demonstrated in order for funds to be released.

Drawing Money from your Construction Account/Line of credit.

This is accomplished by submitting a draw request.

The draw request consists of all the information the lending institution requires as well as an inspection of the project.

You will be able to do this on line in this system. www.assetevaluationservices.com

Renovation:

Draw 1

1. Invoices for materials and labor/ Pay application.
2. Building Permit
3. Municipal Approval / Compliance
4. Third Party Inspection Report- (AES)

Additional Draws:

Follow the same procedures as Draw 1 with the exception of permit and approval.

Final Draw

1. Certificate of Occupancy/Proof of Closed Permits.
2. Some Institutions require lien wavers from all contractors who performed work.
3. All work has been completed.

Remember: NO ONE IS GOING TO LOOK AFTER YOUR MONEY MORE CLOSLEY THAN YOU!

New Construction:

The format for funding this type of project varies slightly depending on the foundation system utilized. Funding is usually disbursed in completed phases of construction. Partial funding per phase is handled on a case by case basis. Although this is a five draw schedule. You're allowed up to seven draw request.

The following outline should be a very close approximation of what is required.

Draw 1 20%

1. Building Permit
2. Termite Certificate
3. Spot Survey/Elevation Certificate
4. Flood Insurance
5. Temporary Services
6. Completed Foundation

Draw 2 20%

1. Lumber Package
2. Framing, Sheathing and Wrap
3. Roof Framing, Sheathing and Underlayment
4. Windows Installed
5. Exterior Doors Installed

Draw 3 20%

1. Roofing Components Installed
2. Electrical Rough in Completed
3. Plumbing Rough in Completed
4. HVAC Rough in Completed
5. Close Wall Inspections

Draw 4 20%

1. Exterior Finishes- Masonry, Stucco, Hardi, Vinyl
2. Soffit and Fascia
3. Exterior Trim
4. Insulation
5. Drywall/Cement Board
6. Interior Trim
7. Interior Doors
8. Cabinets
9. Vanities

Draw 5 20%

1. HVAC Condenser set
2. Plumbing Fixtures Set
3. Electrical Fixtures Set
4. Flooring Installed
5. Tile Work Completed
6. Countertops Installed
7. Appliances Installed
8. Flat Work
9. Exterior Railings/Columns
10. Certificate of Occupancy

Please go to www.assetevaluationservices.com

Here you will be able to:

- Set Up an account
- Enter your project details
- Build your draw schedule
- Upload project documents
- Access draw reports and photos
- Request inspections

This information is presented to assist you with the construction details and responsibilities related to the construction portion of your loan.

Asset Evaluation Services, LLC primary purpose is to protect the lending institution. The successful completion of your project is in direct alignment with our primary purpose. We are at your service.

Paul R. Pablovich
Asset Evaluation Services, LLC
6915 General Diaz New Orleans, LA 70124
BROK.0995685319-CORPLA # 882304
Direct: 504-723-1552
AES@assetevaluationservices.com

Renovation-Self Sub New Construction Budget Sample

Draw 0 Report

Funding Status		Draw Items	Draw Funds	Draw 1	Draw 2	Draw 3	Draw 4	Draw 5	Draw 6	Draw 7	Available Funds	% Complete
Budget:	\$109,300.00	Permitting	\$1,200.00								\$1,200.00	0%
Requested:	\$0.00	Demolition	\$2,500.00								\$2,500.00	0%
Balance:	\$109,300.00	Survey	\$350.00								\$350.00	0%
Subject Address/Location		Site Preparation	\$1,200.00								\$1,200.00	0%
123 Main St		Temp Power / Water	\$450.00								\$450.00	0%
New Orleans, 70124		Temite Treatment	\$1,200.00								\$1,200.00	0%
Client Contact Information		Dumpsters	\$1,500.00								\$1,500.00	0%
Forest Camp		Temp Facilities	\$450.00								\$450.00	0%
504-610-3675 penny@amneworleans.com		Foundation Repair	\$3,500.00								\$3,500.00	0%
Subject Property Data		Framing Package/Materials	\$3,500.00								\$3,500.00	0%
Project Type:	Renovation	Framing Labor	\$2,000.00								\$2,000.00	0%
Subject:	Single Family	Roof Materials	\$3,500.00								\$3,500.00	0%
Stories:	1	Roof Labor	\$3,000.00								\$3,000.00	0%
Total Units:	1	Windows	\$3,500.00								\$3,500.00	0%
Bedrooms:	3	Exterior Doors	\$2,500.00								\$2,500.00	0%
Bathrooms:	2	Hardie Siding	\$3,500.00								\$3,500.00	0%
SqH. Living:	1500	Soffit/Fascia	\$2,500.00								\$2,500.00	0%
Lot Size:	30x120	Exterior Materials	\$3,500.00								\$3,500.00	0%
Bank Information		Exterior Paint	\$8,200.00								\$8,200.00	0%
Bank:	AES	Gutters/Downspouts	\$1,200.00								\$1,200.00	0%
Officer:	Penny Pounds	Exterior Rails	\$1,200.00								\$1,200.00	0%
Inspector		Garage Doors	\$1,200.00								\$1,200.00	0%
Paul R. Pablowich	C 504-723-1562	Plumbing	\$2,500.00								\$2,500.00	0%
AES@assetavaluatorservices.net		Plumbing Fixtures	\$1,000.00								\$1,000.00	0%
Draw 1		Electrical	\$2,800.00								\$2,800.00	0%
Total:		Electrical Fixtures	\$850.00								\$850.00	0%
Requested:		HVAC (Air Conditioning)	\$2,500.00								\$2,500.00	0%
Balance:		Security System	\$1,200.00								\$1,200.00	0%
Draw 2		Audio-Visual-Data Cables	\$1,000.00								\$1,000.00	0%
Total:		Insulation	\$2,500.00								\$2,500.00	0%
Requested:		Insulation Labor	\$800.00								\$800.00	0%
Balance:		Drywall	\$3,500.00								\$3,500.00	0%
Draw 3		Milwork (Interior Trim)	\$2,500.00								\$2,500.00	0%
Total:		Interior Doors	\$2,500.00								\$2,500.00	0%
Requested:		Interior Paint	\$3,200.00								\$3,200.00	0%
Balance:		Vanities	\$1,200.00								\$1,200.00	0%
Draw 4		Cabinets	\$3,200.00								\$3,200.00	0%
Total:		Tile Work	\$1,200.00								\$1,200.00	0%
Requested:		Wood Flooring	\$3,500.00								\$3,500.00	0%
Balance:		Countertops	\$2,500.00								\$2,500.00	0%
Draw 5		Vanity Tops	\$800.00								\$800.00	0%
Total:		Door Hardware	\$500.00								\$500.00	0%
Requested:		Cabinet Hardware	\$250.00								\$250.00	0%
Balance:		Appliances	\$3,500.00								\$3,500.00	0%
Draw 6		Bathroom Fixtures	\$800.00								\$800.00	0%
Total:		Landscaping	\$1,200.00								\$1,200.00	0%
Requested:		Deck	\$1,200.00								\$1,200.00	0%
Balance:		Fences/Gates	\$1,800.00								\$1,800.00	0%
Draw 7		Equipment Rental	\$500.00								\$500.00	0%
Total:		Contingency	\$10,000.00								\$10,000.00	0%
Requested:		Shutters	\$650.00								\$650.00	0%
Balance:		Totals:	\$109,300.00								\$109,300.00	0%
Engagement Date		Comments										
11/06/2016 09:28 AM		Please contact AES with any questions regarding this report. Work in place at the time of this inspector is in line with the following draw recommendation: \$0.00										

This is an example of a budget built with the AES Construction Management System. Regardless of format your Renovation- Self Sub New Construction budget should resemble this in detail and scope.

If you have any Questions, please let us know.

New Construction Draw Schedule Sample

Draw 0 Report

Funding Status		Draw 1			Draw 2			Draw 3		
Budget:	\$160,000.00	Line Item	Cost	%	Line Item	Cost	%	Line Item	Cost	%
Requested:	\$0.00	Permitting			Lumber Package			Roofing Components		
Balance:	\$160,000.00	Plans/Engineering			Framing			Plumbing Rough In		
Subject Address/Location		Cleaning/Grading			Roof Framing			Electrical Rough In		
4131 Erato Street		Piles			Sheathing/ Wrap			HVAC (Air Conditioning)		
New Orleans, 70125		Concrete Grade Beam			Roof Sheathing/ Underlayment					
Client Contact Information		CMU/Cinder Blocks			Windows					
I Am New Orleans, LLC					Exterior Doors					
(504) 610-3678 penny@iamneworleans.com										
Subject Property Data		Allocated:	\$32,000.00		Allocated:	\$32,000.00		Allocated:	\$32,000.00	
Project Type:	New Construction	Balance:	\$32,000.00		Balance:	\$32,000.00		Balance:	\$32,000.00	
Subject:	Single Family	Sub Total:			Sub Total:			Sub Total:		
Stories:	1									
Total Units:	1									
Bedrooms:	3									
Bathrooms:	2									
SqFt. Living:	1758									
Lot Size:	29x115									
Bank Information		Draw 4			Draw 5			Additional Items		
Bank:	Gulf Coast Bank and Trust - GCB	Line Item	Cost	%	Line Item	Cost	%	Line Item	Cost	%
Officer:	Susan Fanularo	Exterior Finishes			HVAC Condenser Set					
Inspector		Insulation			Plumbing Fixtures					
Paul R. Pablovich C 504-723-1552		Drywall			Electrical Fixtures					
AES@assetevaluationinservices.net		Millwork (Interior Trim)			Flooring					
Draw 1		Interior Doors			Tile Work					
Total:		Cabinets/ Vanities			Countertops Installed					
Requested:					Interior/ Exterior Finishes					
Balance:					Flat Work (Driveway-Sidewalks)					
Draw 2		Allocated:	\$32,000.00		Allocated:	\$32,000.00		Allocated:		
Total:		Balance:	\$32,000.00		Balance:	\$32,000.00		Balance:		
Requested:		Sub Total:			Sub Total:			Sub Total:		
Balance:										
Draw 3										
Total:										
Requested:										
Balance:										
Draw 4		Comments								
Total:		Please contact AES with any questions regarding this report. Work in place at the time of this inspection is in line with the following draw recommendation: \$0.00								
Requested:										
Balance:										
Draw 5										
Total:										
Requested:										
Balance:										
Draw 6										
Total:										
Requested:										
Balance:										
Draw 7										
Total:										
Requested:										
Balance:										
Inspection Date and Time										
03/30/2016 08:09 AM										

This is an example of a New Construction Draw Schedule in the AES Construction Management System. This is the industry standard for traditional new construction monitoring. If you have any Questions please let us know.