



FANNIEMAE HOMESTYLE LIMITED WELCOME PACKAGE

In these pages you will find information to assist you with submitting a draw request on your FannieMae HomeStyle Limited loan. We are also including the documents/forms you may need during the process.

Completing the steps as outlined is your responsibility, with assistance from Plaza and your contractor. Plaza will be responsible for issuing the final draw funds.

Things to Know and Understand About the Draw Process

- Plaza must receive the Draw Request Package no later than six (6) months after closing the loan. Work must start within 30 days of closing and must not cease for more than 30 consecutive days.
- Plaza must approve additional work, prior to installation in order for your contractor to be paid from contingency funds.
- Once you and your contractor have determined all the work has been completed, the Draw Request Package should be submitted to Plaza.
- Draw Request Packages are processed within 5 days of receipt. Processing includes the ordering and review of inspections and a title search. Therefore, you should allow up to 15 business days for receipt of payment.
- Payment will be issued to you and your contractor and mailed to the property address, unless a mailing address is on file.
- Forms included in this package:
 - Request for Advance
 - FannieMae HomeStyle Change Order Request (if applicable)
 - Conditional Waiver and Release Upon Final Payment

Important Steps

You are responsible for steps 1* (if applicable) and 2. Plaza is responsible for completing steps 3 and 4.

***Your contractor should work with you to submit Change Order Request, if applicable.**

Steps 1 – 2 Borrower to complete		Steps 3 – 4 Plaza to complete	
Step 1	Step 2	Step 3	Step 4
Submit a Change Order Request (if applicable)	Submit Draw Request Package	Release of Repair Escrow Account Funds	Payment of Interest on Repair Escrow Account Funds

Step 1 – Submit a Change Order Request (if applicable)

Changes to Project

Prior approval by Plaza is required for any cost overruns or changes involving the contractor, type of work, quality or amount of materials and additional completion time. In the event of such a change, you must complete a Change Order Request (Form 1200). This form must be signed and dated by you and the contractor and then sent to Plaza for approval.

Change of Contractor

Notify Plaza, prior to changing contractors. If you change contractors, a property inspection may be completed. This inspection will determine if work was properly completed as well as document how much work the original contractor completed and the payment amount owed. In addition to a Change Order Request, you must submit a new Contractor Profile (Form 1202) and Construction Contract (Form 3734), contractor W-9, license and bid before approval can be given for any future draw request from a new contractor. Plaza will only pay the contractor who has signed a Construction Contract.

Step 2 – Submit Draw Request Package

Once the renovation and/or improvements, as outlined in the Construction Contract, are 100% complete, in a workmanlike manner and to your satisfaction and your contractor requires payment for finished work, submit a complete Draw Request Package.

Draw Request Package must contain the following documentation:

Request For Advance – The Request For Advance form must be completed and signed by you and your contractor.

Conditional Waiver and Release Upon Final Payment – One signed by each general contractor and all subcontractors. Please be aware that Plaza may request a lien release during the construction process as subcontractors and contractors work is completed.

Borrower Receipts and/or Other Forms of Payment – If you have paid funds out-of-pocket to a contractor an Unconditional Waiver and Release Upon Final Payment must be signed by the contractor and submitted with receipts, cancelled check, credit card receipt, etc. supporting amounts paid out-of-pocket.

Step 3 – Release of Repair Escrow Account Funds

Before issuing a check for the balance of your Repair Escrow Account, Plaza must conduct a final inspection and title search. Plaza will order a final inspection, however, the inspector will contact you to schedule an appointment. If the inspector is not available to schedule the appointment within a reasonable timeframe, contact Plaza's Loan Servicing Department and we will assign another inspector.

If a title search indicates a lien has been placed on your property, Plaza will notify you so you can begin the process of having the lien removed. Upon receipt of satisfactory inspection results and clear title, we will issue a check payable to you and your contractor and mail it to the property address, unless a mailing address is on file.

Step – 4 Payment of Interest from the Repair Escrow Account

Once Plaza has released the final balance of funds, any amount remaining in the Repair Escrow Account will be applied to the principal balance of the loan. This includes any unused contingency funds,

inspection fees or mortgage payments, along with the earned interest on the Repair Escrow Account funds.

Important Reminders

- Work must start within 30 days of the loan closing. Draw requests are to be submitted timely to keep the project on track. Work must not cease for more than 30 consecutive days.
- Renovation project must be complete within six (6) months from the date the loan closed.
- Plaza will only pay the contractor who has signed the Construction Contract. You should contact Plaza for instruction, if a change in contractor is required.
- Do not use or plan to use your contingency reserve fund without prior approval from Plaza.
- Do not perform any of the work yourself. All work must be performed by the general contractor and/or sub-contractors previously authorized to perform said work.
- All repairs and renovation work performed on your home must be approved by Plaza. Do not perform work on your home outside of the planned scope of work approved by Plaza. If your scope of work changes, please see step 1.

Loan Servicing Department Contact Information

- Contact Plaza's Loan Servicing Department at 1-888-807-2620, option 2 or by email at renoservicing@plazahomemortgage.com, if you have any questions or need assistance.
- Fax us at 858-332-1861
- By mail at:

Plaza Home Mortgage, Inc.
Loan Servicing Department
4820 Eastgate Mall, Suite 100
San Diego, CA 92121

Frequently Asked Questions

1. Where can I locate the required forms?

Copies of this package along with the required forms can be printed from our website at:
<https://www.plazahomemortgage.com/customerservice/#renovate>

2. What if I need to change contractors?

It is very important that you notify Plaza before changing contractors. The original contractor must be notified in writing (proof of delivery required) and must be given ten (10) days to respond. A property inspection may need to be ordered to document the amount of work completed by the original contractor and the payment amount owed. The new contractor must be approved by Plaza and a Construction Contract, Contract Profile, new contractor bid, license, insurance, and IRS W-9 form must be completed before approval will be granted on final draw requests.

3. What if there is additional work to be completed and I need to use contingency funds to pay for it?

Plaza must approve all extra work prior to installation in order for your contractor to be paid from contingency funds. You and your contractor must provide a detailed description of the work with the material and labor costs noted and submit a Change Order Request form. All additional work must meet loan eligibility guidelines and must be inspected.

4. When can I expect to receive funds?

Draw Request Packages are processed within 5 days of receipt. Processing includes the ordering and review of inspections and a title search. Therefore, you should allow at least 15 business days for receipt of payment. Payment will be issued to you and your contractor and mailed to the property address, unless a mailing address is on file.



Conditional Waiver and Release Upon Final Payment

This form is to be used by contractor when a request for final payment is being made.

Borrower(s): _____

Property Address: _____

Property City, State, Zip code: _____

Total Bid/Invoice: \$ _____

Total Received: \$ _____

Total Due: \$ _____

Upon receipt by the undersigned of a check from Plaza Home Mortgage, Inc., in the amount of \$ _____, and when the check has been properly endorsed and has been paid by the bank upon which it is drawn, this document shall become effective to release any mechanic's lien, stop notice, or bond right the undersigned has on the above referenced property owned by the above referenced borrower(s).

This release covers the final payment to the undersigned for all labor, services, equipment, or material furnished on the job.

Date: _____

Company: _____

Signed: _____

Title: _____



Fannie Mae

HomeStyle® Change Order Request

THIS IS A MODEL DOCUMENT FOR USE IN HOMESTYLE LOAN TRANSACTIONS. THIS FORM IS PROVIDED AS AN EXAMPLE AND IS NOT VALID AND ENFORCEABLE IN ALL JURISDICTIONS. LENDERS SHOULD CONSULT WITH LEGAL COUNSEL TO ENSURE THAT ALL FORMS USED TO ORIGINATE CONSTRUCTION-TO-PERMANENT MORTGAGES ARE APPROPRIATE, AND THAT ALL LEGAL INSTRUMENTS ARE COMPLETED CORRECTLY AND IN COMPLIANCE WITH APPLICABLE LAW.

Case Number: _____	Date: _____
Lender Name: _____	
Change Order Request Number: _____	
Borrower Name(s): _____	Phone #1: _____
_____	Phone #2: _____
Subject Property Address: _____	

Contractor Name: _____	
Address: _____	

Point of Contact: _____	
Phone#: _____	Fax#: _____
Alternate#: _____	

Original Contract Cost: \$ _____ Original Completion Date: _____

The Contract Changes are described below. Attach supporting documentation as needed.

- | | |
|----|--------------------|
| 1. | \$ _____
(Cost) |
| 2. | \$ _____
(Cost) |
| 3. | \$ _____
(Cost) |

Please list supporting documents: _____ Total Cost: \$ _____

The total cost of the changes listed above is \$ _____. The total cost of the renovation, including the changes described above, is now \$ _____. The date of completion is now estimated to be _____ based on the modifications in the Change Order Request.

Borrower and Contractor agree to the terms stated above:

Borrower: _____	Contractor: _____
Date: _____	Date: _____

Approved By: _____	
Lender Name: _____	Title: _____
Date: _____	

EXHIBIT C **REQUEST FOR ADVANCE**

TO: _____
(Disbursing Agent)

RE:

Borrower, Property & Contractor Information:

Loan Disbursement Information:

Borrower's Name			Date of Loan	Advance # ____ (the "Advance")
Account Number			Original Loan Commitment Amount	\$
Property Address			Balance of Loan Commitment Amount Before this Advance	\$
City	State	Zip	Amount of this Request for Advance	\$
Construction Loan Agreement Dated: General Contractor:			Less: Holdback	\$
			Net Amount of This Request for Advance	\$
			Loan Commitment Amount Remaining after this Request for Advance	\$
			Total of Amounts Advanced after this Request for Advance	\$
			Total Holdbacks to Date	\$

By signing below, Borrower and Contractor represent and agree that:

- (i.) They have reviewed the Plans; the Plans are satisfactory and have been approved by all Governmental Authorities having jurisdiction over the Property and the Work;
- (ii.) The Improvements do not violate any of the conditions, covenants or restrictions on the Property;
- (iii.) There are no defaults under the terms of the Loan Agreement, any other Loan Document, or under the Construction Contract;

- (iv.) The Work for which this Request for Advance is made has been duly completed in a good and workmanlike manner, in accordance with the Plans and in compliance with all Governmental Regulations;
- (v.) The Loan Commitment Amount remaining will be sufficient to complete all Improvements contemplated by the Loan Agreement or the Plans or the Construction Contract;
- (vi.) Lender has received invoices, and unconditional construction lien releases from the General Contractor, and each Supplier for all Work covered by this Request for Advance, and for all Requests for Advance previously submitted;
- (vii.) The funds obtained with the Request for Advance will be used to pay in full the costs of labor performed or materials supplied as requested in this Request for Advance;
- (viii.) There has been no material adverse change in Borrower's financial condition or employment status since the time Borrower applied for the Loans.

By signing below Borrower and Contractor request Lender to pay the following payee(s) in the following amount(s):

_____	in the amount of \$ _____
_____	in the amount of \$ _____
_____	in the amount of \$ _____
_____	in the amount of \$ _____
_____	in the amount of \$ _____
_____	in the amount of \$ _____

_____	By: _____
Contractor	Authorized Signature
_____	Its: _____
Date	Title
_____	_____
Borrower's Signature	Date

By signing below the authorized [LENDER] representative named below approves the disbursement requested in this Request for Advance but, to the extent permitted by applicable law, makes no warranty or representation as to the quality of work completed and/or materials delivered thus far.

[LENDER] ("Lender")

By: _____	_____
Authorized Representative	Date