

BUILDER/OWNER WAIVER OF LIEN INSTRUCTIONS

Waivers of Lien Instructions:

- A **Waiver of Lien** must be submitted for all parties that are listed on the Sworn Statement.
- All **Waivers of Lien** must contain original signatures. Copies may be submitted to the title company and CLC in order to process your draw.
- **Waivers of Lien** must be completely filled out, including the name of the General Contractor or Homeowner with whom the contract is with, the labor and/or materials provided, the legal description (subject property address, the lot # or subdivision lot # and the county) and the name, address and phone number of the signing company. The person signing the waiver must be an officer of the company or an authorized agent of the company. The date must also be included.
- The **Statement of Account** section must be completed in its entirety - Original Contract Price + Extras – Credits – Previous Payments – Retention = Balance – This Payment = Balance to Become Due.
- A **Waiver of Lien** must be submitted by the General Contractor or Homeowner (if Homeowner is acting as their own General Contractor) for all work under contract.

PARTIAL CONDITIONAL WAIVER OF LIEN

The subcontractor/supplier has completed part of the contract but has not been paid for the completed work.

The waiver of lien must state the amount that is owing to date and the date that the subcontractor/supplier is waiving his/her lien rights through (provided they are paid the amount on the waiver). The date on this waiver of lien must also be close to the date on the Sworn Statement. What is listed on this waiver of lien as owing must appear on the Sworn Statement under "Amount Currently Owing" (this is your draw request column). The dollar amount of the labor or material that remains to be completed should appear on that subcontractors/suppliers line under "Balance to Complete". After the subcontractor/supplier has been paid then a "**Partial Unconditional Waiver of Lien**" will need to be submitted as proof that the subcontractor/supplier received the amount owed to him/her. The revised Sworn Statement should reflect the amount paid under the "Amount Already Paid" column on the Sworn Statement. Note: "Amount Already Paid" column + "Amount Currently Owing" column + "Balance to Complete" column should = "Total Contract Price" column (plus any Adjustments).

PARTIAL UNCONDITIONAL WAIVER OF LIEN

The subcontractor/supplier has completed part of the contract and has been paid for the work that is done.

The waiver of lien must state the amount that has been paid to date and the date that the subcontractor/supplier is waiving his/her lien rights through. This date and amount must be very close to the date on the Sworn Statement and the amount listed under "Amount Already Paid". The dollar amount of labor/material that remains to be completed should appear under that subcontractor's line under "Balance to Complete". Note: "Amount Already Paid" column + "Amount Currently Owing" column + "Balance to Complete" column should = "Total Contract Price" column (plus any Adjustments).

FULL CONDITIONAL WAIVER OF LIEN

The subcontractor/supplier has completed the contract; however, is still owed money.

The exact amount owed must be filled in on the waiver of lien and this amount must be the same as what is listed on the Sworn Statement under "Amount Currently Owing". The "Balance to Complete" should reflect a zero balance. Once the subcontractor/supplier has been paid in full then a "Full Unconditional Waiver of Lien" will be required.

FULL UNCONDITIONAL WAIVER OF LIEN

The subcontractor/supplier has furnished all the labor and/or material per the contract and has been paid in full.

A Full Unconditional Waiver of Lien will be required to close out each line item on the Sworn Statement. All original Final Unconditional Waivers of Lien will need to be turned into the title company and CLC before CLC/MHLS can provide your permanent financing. The "Balance to Complete" should reflect a zero balance.

NOTE: This guide should help you with your draw requests. Title Companies may vary with policy, and may require a little different documentation than explained above. These forms you will be using are accepted and standard with all Title Companies. Please call CLC/MHLS with any questions you have.

The Construction Loan Company, Inc. & Member Home Lending Services, Inc
(877) 562-6862 Toll Free

