



## Items Specific Requirements for Our Preferred Lenders to Finance Your ADU or Renovation Project

**Your Builder's Information:** We will provide basic contact information such as name, address, phone number, email, and company website. Lender needs this to contact Ohana Builders and perform basic due diligence before the lender can approve your loan. The lender will require a credit inquiry from us as well.

**Appraisal:** The Appraisal order by your lender, paid by the property owner used to assist in determining the home (As Is value) and after-renovation /ADU value of the home (Improved value) upon completion of development. This value will determine the amount of money that the project will be qualified for. The Appraisal will include both soft (design and permitted fees) and hard Cost actual cost of construction as well as the following documents.

**Architect/Engineer Plans:** Architect/Engineer Plans /ADU plans include architectural plans, structural plans, Electrical, Plumbing, and mechanical (HVAC) title 24, site plans, floor plans, elevations, renderings, meeting the local building code requirements and obtain your building permit issued from City Building and Safety.

**Itemized Construction cost:** Ohana Builders will prepare the scope of work, as well as the itemized breakdown of materials and labor, is commensurate with the plan. The cost breakdown must be in the construction specification instituted (CSI) division sixteen format.

**Payment by Progress Breakdown:** Payment breakdown based on the project's progress. The complexity and size of your ADU/Renovation the construction payment must be prepared on the lenders continuation sheet and approved by the lenders project manager .10% retention shall held back until end of project and a certificated of occupancy (CO) has been issued by the city and the punch list completed.

**Construction Contract:** This should include a scope of work, general conditions payment schedule, change order procedures: in an American institute of architects (AIA)form. having a clear understanding exactly what your general Builder constitutes as a change order, and what happens if something out of scope is required, during the construction. You do not need the contract signed to apply for the loan. The building company name, phone number, website, and email, but also the direct contact info of whoever is managing the renovation. It should always be clear who to call with any questions you have throughout the process.

**Schedule:** Clear construction timelines are critical not only the projected completion date but expected daily. What days of the week will the Builder or subcontractor be working? What time will construction start and stop each day? List the milestones for city inspections and completion of key elements. The schedule should be on MS project management.as part of the construction documents, there shall be a delay damage clause for all delays other than weather.

**Payment by Progress Breakdown:** Payment breakdown based on the project's progress. The complexity and size of your ADU/Renovation 10% for the punch list at the end.

**Warranty:** Your Builder warranty on their work. For 1 year of known defects and 10 years for unknown defects (California Law) excluding appliances, what the Builder agrees to fix if something breaks, and in what timeframe the Builder will return to take care of it. A copy of the contractors General Liability insurance as required in the contract listing the property owner as additional insured.