



## **Instructions for Sworn Statements and Waivers of Lien**

Examining Sworn Statements and waivers is the one of the most important functions Corporate Title Agency performs when insuring construction draws.

1. When submitting a draw request, it must be accompanied by a Sworn Statement and corresponding waivers. Please do not submit receipts or invoices. We typically will not accept anything other than lien waivers, although we have made an exception for purchases from “big box” stores (e.g. Lowe’s, Home Depot, Menard’s) and small purchases (under \$100). We require all Sworn Statements to be signed by the builder, dated and notarized.
2. List all sub-contractors, material suppliers and laborers who will be providing work/materials for the project. It is important to list ALL subs/suppliers/laborers, not just those receiving payment on a particular draw request. If specific sub-contractors/ suppliers/laborers have not been firmly decided upon, put T.B.D. (to be determined). The name may be filled in at a later date, but no later than the date of request for payment made on their behalf.
3. The Total Contract Price for each party contracted with must be shown on each and every draw. If contract amounts are unknown, estimates should be used and can be changed later on by using the Change Order Column.
4. Any changes in contract amounts should be reflected on the Sworn Statement in the Change Order Column. Change orders can be positive (+) or negative (-).
5. The Adjusted Contract Price amends the original price listed. Note: the original contract amount plus or minus the change order, should equal the adjusted contract price.
6. The Amount Already Paid Column reflects the total of ALL previous payments to the parties listed in the Sworn Statement.
7. The Amount Currently Owing Column shows the amount to be paid through the current draw request. All amounts must be exact. Most lenders will do an inspection to determine whether the work completed justifies the amount being requested.
8. Retention- if there are funds you are withholding from subs, suppliers or laborers, please ask us to supply you with a different Sworn Statement to show amounts you have withheld. Typically, retention is only used in commercial construction projects.

9. The Balance To Complete Column takes into account all previous payments; the amount being requested on the current draw and the amounts left owing to be paid in the future. If you find a negative number in this column, you may need to adjust the contract amount by using the Change Order Column.

**Checks and Balances:**

All figures listed in each column should add up to the totals at the bottom. The amount already paid, plus amount owing plus the Balance To Complete should all add up to be the Adjusted Contract Price.

**Waivers:**

There are 4 different types of waivers:

Partial Conditional-submitted when the sub/supplier/laborer will be paid a partial amount of their contract-amount waived is conditional upon payment.

Partial Unconditional- Acknowledges partial payment to subs/suppliers/laborers and waives lien rights in the amount listed on said waiver.

Full Conditional- submitted when supplier/laborer/sub will be paid all remaining funds owed for contract, lists specific amount and waives all rights to a lien conditional upon payment.

Full Unconditional-Acknowledges full payment of contract and waives all lien rights on the entire project. It does not list a specific dollar figure.

**If Conditional waivers are presented, Corporate Title Agency must cut the check directly to the sub-contractor/supplier/laborer.**

Waivers must be legibly signed and dated and include the following information:

- \*Phone number and mailing address of supplier/laborer/sub
- \*Material or services provided
- \*Property address of the construction site
- \*Person(s) or company that has contracted them to provide labor or materials
- \*Person(s) and title if signing on behalf of an entity.

**Last Draw Request:**

When you submit your final draw request, all figures in the Balance To Complete Column should be zero. Most lenders require the Certificate of Occupancy be supplied before they will fund the last draw. We require Full Conditional waivers from all subs/suppliers/laborers be supplied with your final draw request. All final draw checks will be cut checks directly to the subs/suppliers/laborers by either your lender or Corporate Title Agency.

\*\*\*The dedicated Email address for submitting sworn statements, waivers, and correspondence is [Construction@VisitCSS.com](mailto:Construction@VisitCSS.com)\*\*\*

\*\*\*It is very important that the information shown on your Sworn Statement be accurate in order to avoid delays with the funding of your draw request\*\*\*