

# IGI Global Investors Construction

## Prerequisites Submission Requirements

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Below is a general outline of the acquisition, and construction investment lending process.

### PROJECT DOCUMENTATION

Investors require the information listed below at the time of application. IGI Investors also reserves the right to require additional project or borrower information as deemed necessary or appropriate. IGI Investors is a funder of Eco-Friendly Construction Projects.

- A. Copy of proposed site plan
- B. Copies (known as "buildable" plans) of the construction plans, including floor plans.
- C. Detailed listing of construction and materials specifications
- D. Copy of septic system approval (if applicable)
- E. Copy of a building permit
- F. Appraise As-Is Value & After Construction Value
- G. Signed contract with General Contractor for a completed project, with terms acceptable to IGI Investors
- H. A construction budget specified by line item.
- I. A payment schedule.
- J. List of major sub-contractors and major materials suppliers
- K. Deed with the full legal description
- L. Contractor's general liability insurance and workman's compensation coverage.
- M. Builder's risk and property insurance certificate

Your signature below on this document acknowledges that you have been informed of IGI INVESTOR's construction loan procedures, including a general summary of the Mechanic Lien Law as described below. In addition to the above required information, the following documentation and conditions shall be met:

- (i) Before loan approval, the borrower(s) shall acknowledge below, in writing, that they have been informed of the procedure for receiving construction loan advances.
- (ii) Before loan approval, a qualified agent (construction consultant), working on behalf of IGI, will review all plans and specifications to determine compliance with construction standards, completeness, and materials quality.
- (iii) Before loan approval, the construction consultant working on behalf of IGI will review the construction budget for adequate and proper pricing within the proposed budget. The Borrower will be responsible for the fee associated with the construction review and inspections.

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- (iv) Before the investment loan approval to release funds, the construction consultant will review the list of subcontractors and suppliers with costs exceeding \$5,000 for conformity to the budget. The borrower will be responsible for the fee for the Construction Consultant Review.

### CONSTRUCTION LOAN DISBURSEMENTS

Funds will be sent in tranches and disbursed periodically, as requested by the borrower. Disbursements will be released only for labor and materials completed or installed to date.

- A. The borrower must request all loan disbursements, which will be paid to both the borrower and the General Contractor.
- B. Certifications of previous payments and contractor affidavits stating that previous disbursements were adequately made will be required before disbursement release.
- C. Subcontractors will be required to provide lien waivers totaling the amount of work previously paid.
- D. Before the disbursement of construction funds, a qualified employee or agent of the ABI Management Team/Construction Management Company (working on behalf of IGI Investors) shall have performed a written inspection of the project to assure that the work (for which funds have been requested) has been completed. Said agent will review all plans and specifications to determine compliance with construction standards, completeness, and materials quality. The construction consultant will review the construction budget for adequate and proper pricing within the proposed budget. The agent shall also verify that all postings and notifications, as required by the States Mechanics Lien Law, are properly displayed. Disbursements will be subject to a holdback of funds (“retainage”) to ensure project completion and occupancy permits as issued by the municipality. Retainage may not be released until satisfactory phases of the project completion have been verified by IGI & ABI, together with conformity to all obligations to the Investors. Legal counsel will run a title update before each disbursement (tranche) to verify that there are no outstanding liens on the subject property. The Borrower is responsible for all fees associated with the inspections and the title updates.
- E. The ABI Management Team shall not authorize loan funds for advance payments to contractors or subcontractors.
- F. The ABI Management Team shall authorize advance production payment for the Investors’ approved Vendors/Suppliers.

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### OTHER CONSTRUCTION LOAN REQUIREMENTS

- Contingency: The loan amount shall contain a 7% construction contingency.
- Project Equity: Construction projects require a minimum 25% equity injection by the borrower, before construction line disbursements, unless 100% funded.
- Borrower Cash Reserve: Borrower must have sufficient liquid assets after closing, to cover potential construction cost over-runs, to a minimum amount of 10% of the estimated construction costs.
- Costs: Whether the loan shall close, the Borrower is responsible for all costs, including but not limited to, processing, underwriting, reviews, appraisal, title, legal, inspections, construction management, recording, environmental, insurance premiums, document preparation, loan set-up costs, wiring and currency exchange.
- Closing Cost: May be Financed.
- Loan documents: Subject to standard loan documentation being executed by the borrower.
- Appraisal: Full appraisal, by an Investors-approved appraiser, must support an “as completed” loan to a value of 80% or less.
- Environmental Site Inspection: The loan is subject to a satisfactory Transaction Site Screen Report to be ordered by IGI and conducted by an approved IGI Vendor.
- General Contractor Approval. General Contractors hired by the borrower will be subject to IGI review and approval.
- Green Building Materials. Suppliers of Construction Materials hired by the borrower are subject to the Investors approved list of vendors. Investors only fund construction projects built using environmentally friendly building materials, and the Sips Panels System. Materials must be superior and meet all building codes.
- Green Construction Vendors: IGI Investors approved suppliers:  
United States Supplier- Agri-Tech and 360 Construction,  
The Global Supplier- Blue Collar Construction.
- Zoning: The borrower must show that the intended use for the property complies with all zoning requirements.
- Value: Loan-to-value ratios (LTV) may not exceed 80% of the “as completed value.”
- Security position: Valid first Real Estate Mortgage position required with Collateral Assignment of Leases and Rent.

#### WHAT ARE THE STEPS?

Step 1. Verification of Investor’s Funding Ability

Step 2. Brokering Company Submit the opportunity to the Investors.

Step 2. If Accepted, A Phone Interview with the Investors Team Member

Step 3. Owner(s) submission of the documentation, applications, and Fees

Step 4. Verifications, Valuations, and Assessments

Step 5. Terms & Conditions

Step 6. Brokers Agreements & Contracts Executed,

Step 7. Investor Bank Wire Instructions GPI/ Borrower Bank Acceptance, Wire SENT

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Timeline (5-day process)

PLEASE NOTE:

The foregoing is intended to be general in nature and is not intended to cover all possible terms, conditions, circumstances, or contingencies. This document is not a loan application. Loan approval is subject to a review of comprehensive project and borrower information, receipt of an acceptable “as completed” appraisal, and environmental due diligence on the subject property. Other terms, conditions, and restrictions may apply. The borrower is solely responsible for the progress and outcome of the construction. The processing agency shall provide follow-up. Verifications, Reviews, Audits, Valuations, Assessments, and professional opinions of the Project are private and for the sole benefit of the Investors and are not provided to the applicant(s) or any 3<sup>rd</sup> party. All information on inventions and patterns shall be protected under non-disclosure and strict confidentiality. Projects are presented by approved Brokers only. We do not accept direct referrals.

All Fees are non-refundable regardless of the outcome and are required for funding considerations. This application is for private placement funding investment whereby the investors reserve the right to withdraw their interest. The investor shall control certain aspects of the project, green suppliers and watchful oversight by a construction management company, and the sale or transfer of any contracts, notes, shares, and equity of their choosing. Should the project stall for any reason, the investor, with a 30-day written notice to perform, shall take over the project as their investment is at risk. The allocation of funds does not guarantee to fund for any project. The submission of this application is not an approval. Delays in submitting information and documentation may result in the reallocation of funds. This opportunity is for READY PROJECTS Only, and the process has a maximum procession timeline of 30 days. If funds are wired, and the bank fails to make the capital available, the funding will be reversed, and the wiring fees, regardless and irrevocably, shall be at the applicant’s expense. Accounts must have blocked funds equivalent to the wiring and exchange fees payable to Invest Global. Prerequisite fees shall be credited if the funding is approved.

### **BROKERS ARE PROTECTED**

IGI does not permit circumventing of the Brokers.

Broker fees are separate and may not exceed 5 Percent if being financed.

Invest Global Project Placement fees shall not exceed 5 percent.

The Brokering firm has a buyback obligation for a period of one year. Therefore, the applicant must pay the broker additional fees for bonds and insurance at the time of funding.

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### INTEREST RATES AND TERMS

Rates: Prime plus two up to 17%, subject to the type of loan.

Terms: Construction, Perm or Hard Money, subject to Borrowers Credibility & Investment

### BORROWERS ACKNOWLEDGMENT

By signing and submitting this document, I certify that the land is shovel-ready and project-ready. I hold a separate commercial business account whereby funds shall be kept separate. I acknowledge and agree that at any time, the investor may have the account audited. I further acknowledge that the deed to the real estate shall be filed in the investors' holding company, and the borrower has the right to buy or refinance the property within 12 months of completion. The investor may at any time sell the mortgage on the property at will. Subject to the project, the investor may waive the mortgage payment for up to 12 months, or there may be interest-only notes for 12 months. I acknowledge that the investor shall not, sub come to, be subjected to, or be restricted by the decision of any board.

Please sign and date below and return it to [intake@investglobal.biz](mailto:intake@investglobal.biz) as soon as possible. The foregoing is understood and acknowledged: Any proposed interest of the inventors/funders shall expire on \_\_\_\_\_ day of \_\_\_\_\_, 2023.

By: \_\_\_\_\_  
Applicant Printed Name

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Applicant Signature

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Applicant Print Name

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Applicant Signature

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Project Name

Date: \_\_\_\_\_

Industry: \_\_\_\_\_

By: American Business  
Incentives/ABI, Atlanta, Ga.  
Brokerage Firm

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Brokering Agent

Date: \_\_\_\_\_