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## Rehab Budget & Draw Tracker Instructions

### Step 1: Define Your Scope of Work

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When you open your Rehab Budget & Draw Tracker, please:

- Identify the **Property Address** in Row 2, Column D
- Identify the **Borrower Name** in Row 3, Column D
- View the **Instructions** on our draw guidelines webpage in Row 4, Column D

Under the Rehab Budget / Improvements section, there are three subsections:

- **Budget** (Columns A – D)
- **Draws** (Columns E – L)
- **Completion Summary** (Columns M – O)

In the Budget subsection, define your scope of work:

- In Column A, under **Description of Work**, please list each individual line item in your scope of work
- In Column B, under **Labor**, please identify the budgeted labor costs for each line item in your scope of work
- In Column C, under **Materials**, please identify the budgeted material costs for each line item in your scope of work
  - If your contractor has not separated out labor and material costs, feel free to use either Column B or Column C to identify the total budget for each line item
- In Column D, under **Total Budget**, the labor and material costs will automatically be summed for each line item



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## Rehab Budget & Draw Tracker Instructions

### Step 2: Identify the Completed Work

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Once your scope of work is defined and have completed or partially completed one or more line items, you can begin to request **Draws** in Columns E – L:

- Each draw number has an associated draw column (e.g., **Draw 1** in Column E; **Draw 2** in Column F; **Draw 8** in Column L)
  - Locate the appropriate draw column and enter the total amount requested for each line item
  - The total requested draw amount is summed for each draw column in Row 62
- The **Completion Summary** section will update for each line item to show:
  - **Total Completed** (Column M)
  - **% Complete** (Column N)
  - **Balance** (Column O)

#### Note:

- The first four draws incur a fee of \$50 each. Any additional draws after the fourth are subject to a \$100 draw fee. All draw fees are deducted from draw proceeds.
- If a draw request exceeds the original budget for any line item, **% Complete** in Column N and **Balance** in Column O will display in red and calculate the total overage for the associated line item.
- Rehab Wallet reserves the right to request a revised scope of work if any overage is present and deemed unreasonable by the draw reviewer.



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## Rehab Budget & Draw Tracker Instructions

### Step 3: Absorb the Advance at Closing

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As a VIP borrower, you are granted the additional benefit of receiving a rehab draw at closing. The advanced amount is determined by your loan originator and is included in your post-closing email notification.

- Identify the **Advance at Closing** in Row 63, Column D
- If you cannot locate the advance amount in your email, please contact our team

Since the initial advance is held in escrow by your closing agent and is accounted for on your settlement statement, it often covers or partially covers closing costs. However, the advance is intended to fund up-front rehab costs, not closings costs. Therefore, the advance is deducted from your available draw funds, and you will be expected to absorb the initial advance as the rehab progresses.

The draw reviewer will approve an advance absorption for each draw request:

- **Absorbed Advance** for each draw is displayed in Row 63, Columns E – L
- **Total Absorbed Advance** is displayed in Row 63, Columns M – O
  - Until 100% of the advance at closing is absorbed, each draw request will be reduced to compensate for the initial advance

Rehab Wallet requires the initial draw advance to be absorbed:

- as a percentage equal to the ratio of completed work to total scope; or
- (upon approval) prior to receiving the final draw



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## Rehab Budget & Draw Tracker Instructions

### Step 4: Absorb any Self-Funding

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If Rehab Wallet is not funding the entire scope of work, you will be required to absorb any self-funded portion of the budget as the rehab progresses.

- Identify the **Self-Funded Rehab Costs** in Row 64, Column D
- E.g., total rehab budget = \$26,000; Rehab Wallet funding \$22,000; self-funded rehab costs = \$4,000

Rehab Wallet requires the self-funded portion of any budget to be absorbed:

- as a percentage equal to the ratio of completed work to total scope; or
- (upon approval) prior to receiving the final draw

The draw reviewer will approve a self-funding absorption for each draw request:

- **Absorbed Self-Funding** for each draw is displayed in Row 64, Columns E – L
- **Total Absorbed Self-Funding** is displayed in Row 64, Columns M – O
  - Until 100% of the self-funded portion is absorbed, each draw request will be reduced to compensate for self-funding

The **Net Rehab Budget Draws** received after all absorptions are approved (advance and self-funding) is displayed in Row 65, Columns E – L. The **Total Net Rehab Draws Completion Summary** is displayed in Row 65, Columns M – O.



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## Rehab Budget & Draw Tracker Instructions

### How To: Submit a Revised Scope of Work

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If you are required to submit a revised scope of work, please utilize the **Revised Rehab Budget & Draws** sheet/tab

- Copy and paste the original scope of work into the **Revised Rehab Budget & Draws** sheet/tab in Columns A – C
- Copy and paste all previously disbursed draws into the **Revised Rehab Budget & Draws** sheet/tab in Columns E – L
  - Previously disbursed draws cannot be altered and should be copied exactly as disbursed
- Define your revised budget on the **Revised Rehab Budget & Draws** sheet/tab
  - Upon approval, any future draw requests will be based on the revised scope of work

Note:

- If your scope of work increases more than 15% or \$7,500 (whichever is greater), a revised SOW should be submitted for approval prior to any draw request
  - **The amount of funding will not increase**
  - The revised scope of work should clearly communicate which line items will be self-funded
- If your revised scope of work could potentially decrease the after-renovation value (ARV), a revised scope of work should be submitted
  - The ARV must be confirmed prior to authorizing any draws; The borrower must pay for a revised broker price opinion (BPO).
  - Indicate in the project address field that the payment is for a revised BPO
  - Rehab Wallet will reach out to the borrower to determine next steps once the results of the revised BPO are received

To learn more about the process and requirements for a scope of work change, please visit the FAQ section of our [draw guidelines webpage](#).