Construction Draw Inspection Report

SAMPLE All names, addresses and figures are fictional and shown for illustration only.
This sample shows Rokan's standard format. We also report directly in your platform or on your own forms and compliance templates.

Lender	Sample Community Bank	**Draw No.**	5
Borrower	Example Street Partners LLC	**Inspection date**	October 14, 2026
Project	24-unit mixed-use conversion with ground-floor retail	**Report date**	October 15, 2026
Address	100 Example Avenue, Anytown, NY	**Loan amount**	$6,200,000
General contractor	Sample Builders Inc.	**Hard-cost budget**	$5,400,000
Inspector	Rokan Integrale, Project Executive	**Retainage**	10%

1. Funding Recommendation

	Requested	Recommended
Work in place this draw	$724,500	$530,500
Stored materials	$154,000	$58,000
Gross	$878,500	$588,500
Less retainage (10%)	($87,850)	($58,850)
Net amount	**$790,650**	**$529,650**

Recommendation: fund $529,650 of the $790,650 requested. Withhold $261,000 until the items below are resolved. The work in place supports the recommended amount, and the loan remains in balance.

Funding is subject to receipt of the missing subcontractor lien waivers and a clear title date-down endorsement before disbursement.

• Structural steel, framing, windows, plumbing and HVAC were billed ahead of the work in place by $126,000 gross.
• Fire protection ($38,000 requested) is held in full: rough-in is installed but not yet inspected, and the subcontractor lien waiver is missing.
• Drywall and insulation were billed at 10% ($30,000), but the work has not started.
• In total, $194,000 of requested work in place is not supported this draw.
• Elevator equipment stored off-site ($96,000) is not verified. Provide a bill of sale, insurance certificate naming the lender, and warehouse confirmation.
• Conditional lien waivers are missing for two subcontractors (fire protection and HVAC).
• For Draw 6: confirm owner and lender approval of pending change order CO-4 ($42,500) before it is billed.

2. Project Status

Measure	Finding
Overall completion (work in place)	44% of hard-cost budget, excluding contingency
Scheduled completion at this date	49% (GC schedule, rev. 3)
Schedule status	About 3 weeks behind; roofing and window delays recovered in part
Projected substantial completion	June 2027 (contract: May 2027)
Site conditions	Orderly; site secured; no safety stop-work observed
Permits	Building permit active; no open violations found on the date of inspection

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3. Schedule of Values Review (Line Item)

Percent complete verified in the field against the contractor's AIA G702/G703 application. Amounts are gross, before retainage.

Line item	Budget	Prior %	This draw requested	Verified % to date	This draw recommended	Balance to finish	Inspector note
General Conditions	$380,000	40%	$38,000	50%	$38,000	$190,000	
Demolition & Abatement	$210,000	100%	$0	100%	$0	$0	
Concrete & Foundations	$340,000	95%	$17,000	100%	$17,000	$0	
Structural Steel	$420,000	85%	$63,000	95%	$42,000	$21,000	Base-contract steel; CO-2 lintels tracked under Contingency
Rough Carpentry / Framing	$360,000	45%	$90,000	65%	$72,000	$126,000	Floor 4 framing in progress
Roofing	$180,000	0%	$72,000	40%	$72,000	$108,000	
Windows & Exterior Doors	$290,000	10%	$101,500	30%	$58,000	$203,000	Installed openings verified at 30%
Plumbing	$410,000	25%	$82,000	40%	$61,500	$246,000	Floor 4 rough not started
HVAC	$460,000	20%	$92,000	35%	$69,000	$299,000	Rooftop units not set
Electrical	$430,000	25%	$86,000	45%	$86,000	$236,500	
Fire Protection	$190,000	15%	$38,000	15%	$0	$161,500	Rough-in installed; held pending AHJ inspection and lien waiver
Drywall & Insulation	$300,000	0%	$30,000	0%	$0	$300,000	Work not started
Finishes	$520,000	0%	$0	0%	$0	$520,000	
Elevator	$240,000	0%	$0	0%	$0	$240,000	Equipment stored off-site (see Stored Materials)
Sitework	$150,000	20%	$15,000	30%	$15,000	$105,000	
Contingency	$520,000	10.8%	$0	10.8%	$0	$464,000	CO-1 and CO-3 complete ($56,000 earned). CO-2 ($22,000) committed, not earned until lintels are installed. Excluded from % complete
TOTAL	**$5,400,000**	**33%**	**$724,500**	**44%**	**$530,500**	**$3,220,000**	Total % excludes contingency

4. Stored Materials

Item	Location	Value	Documentation	Status
Aluminum windows (48 units)	On site, secured container	$58,000	Invoice, bill of lading, photos	Verified. Recommended
Elevator machine and cab	Off-site supplier warehouse	$96,000	Invoice only	Not verified. Withheld

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5. Budget & Cost-to-Complete

	Amount
Hard-cost allocation of loan, including $12,000 unallocated hard-cost reserve (the $6,200,000 loan also covers soft costs and interest reserve)	$5,412,000
Disbursed to date, including this draw (net of retainage)	$2,014,200
Undisbursed hard-cost funds (A)	$3,397,800
Balance to finish per schedule of values	$3,220,000
Less stored materials already funded (windows)	($58,000)
Plus retainage held, owed at completion	$223,800
Cost to complete (B)	**$3,385,800**
Surplus / (shortfall) (A - B)	**$12,000**
Contingency balance (included in B)	$464,000
Less committed: CO-2 lintels, not yet earned	($22,000)
Uncommitted contingency	$442,000
Pending CO-4, fire alarm upgrade	$42,500
Uncommitted contingency after CO-4	$399,500

Loan is in balance, with a $12,000 surplus. Undisbursed hard-cost funds cover the remaining work and retainage. Pending change order CO-4 can be absorbed by the remaining contingency; we recommend the lender confirm CO-4 approval before Draw 6.

6. Change Orders

No.	Description	Amount	Status
CO-1	Unforeseen asbestos at basement piping	$38,000	Complete; earned and funded (contingency)
CO-2	Added steel lintels, east elevation	$22,000	Approved; committed, not earned (not installed)
CO-3	Upgraded electrical service to 1,200A	$18,000	Complete; earned and funded (contingency)
CO-4	Fire alarm system upgrade per AHJ comment	$42,500	Pending. Not included in this draw

Change-order work is billed only under the Contingency line, not in the trade lines, so it is not double counted. A change order is funded only when its work is complete.

7. Documentation Checklist

Document	Status
AIA G702/G703 pay application, Draw 5	Received
Updated construction schedule	Received (rev. 3)
GC conditional lien waiver, this draw	Received
Subcontractor conditional lien waivers	Missing: fire protection, HVAC
Unconditional waivers, prior draw	Received
Title date-down endorsement	Requested by lender; not reviewed
Builder's risk and GL certificates	Current; lender named
Stored materials documentation	Complete for windows; incomplete for elevator

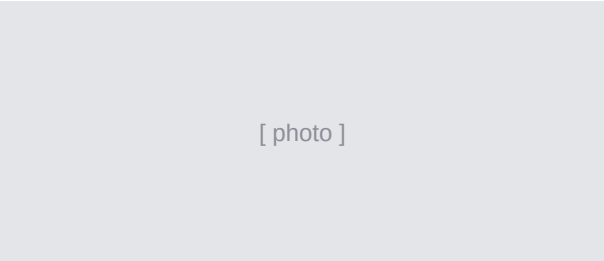
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8. Site Observations

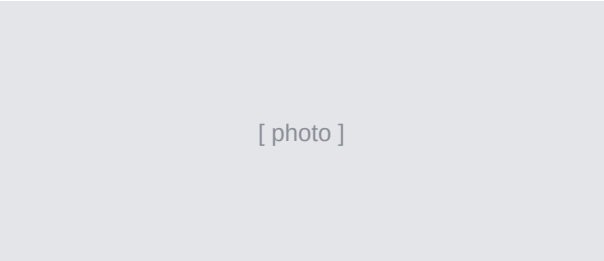
• Floors 1–3 framing complete; Floor 4 framing about 60% complete.
• Roofing membrane installed on the main roof; bulkhead flashing outstanding.
• Window installation complete at the north and west elevations; east and south openings framed, awaiting lintels.
• Plumbing and electrical rough-in complete on Floors 1–3. Sprinkler rough-in installed on Floors 1–2, awaiting inspection.
• Rooftop HVAC units not yet set; crane date scheduled per GC.
• No defective work observed that affects the recommended amount.

9. Photo Log

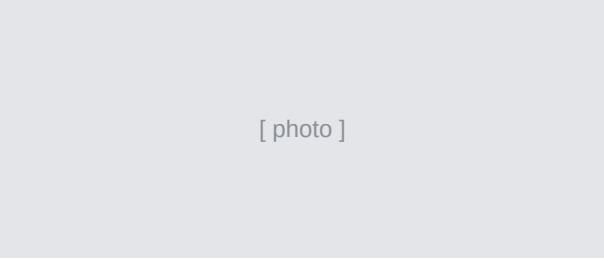
Actual reports include 20–40 dated, captioned photos per inspection. Placeholders shown here.



1. North elevation: windows installed



2. Floor 4: framing in progress



3. Floor 2: sprinkler rough-in, awaiting inspection



4. Stored windows in secured container

10. Scope & Limitations

This report is prepared for the lender's use in evaluating a construction draw. It is based on a visual observation of the work in place on the inspection date and a review of documents provided by the borrower and contractor. It is not a code-compliance, structural or environmental inspection, and it does not certify the quality of work or guarantee completion. Percent-complete opinions are professional estimates. Concealed work is accepted based on documentation and the progression of later work.

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