

## Construction Loans / Information Sheet

### Temporary Loan – Construction Loan

1) Items needed to qualify the property

- a) Floor Plans
- b) Specification Sheet (Contractor to complete)
- c) Signed Bid Sheet

2) Total Project Cost – consists of the lot cost (or value) and construction costs

Lot Cost (Value) \_\_\_\_\_

Construction Costs \_\_\_\_\_

TOTAL PROJECT COST \_\_\_\_\_

3) Interest is paid monthly on loan amount outstanding

4) Builders Risk Insurance Policy – homeowner responsibility

5) Bank will get lien waivers for all amounts paid on the project

6) Bank will complete tax reporting requirements for appropriate 1099's

7) Change Orders must be in submitted in writing on a monthly basis

### Permanent Loan Options

1) Adjustable Rate Mortgage Options

2) Fixed Rate Loans

(If there are unfinished items that are 'weather related', the cost to complete may be escrowed at 1 ½ times the cost.)