

MODULAR HOME CONSTRUCTION-TO-PERMANENT LOAN PROGRAM MATRIX

Summary of Program:	<ul style="list-style-type: none"> • One close construction-to-permanent mortgage program. • During the construction period, the borrower pays interest only on funds disbursed for construction out of an Interest Reserve that is financed in the loan. • Upon completion, the loan modifies into the permanent mortgage. The customer has several permanent mortgage options, including 30 or 15 year fixed, and several ARM programs.
Maximum Loan Amount:	<ul style="list-style-type: none"> • \$417,000 conforming pricing. • Jumbo loan programs are available. Call your Loan Office for details.
Loan Type/Terms	<ul style="list-style-type: none"> • 15, 20, 30 year fixed rate. • 5/1, 7/1, 10/1 ARMs (Adjustable Rate Mortgages) • Stated Income, NINA, at other niche products. Call for details.
Eligible Properties:	<ul style="list-style-type: none"> • Stick built, modular, and panelized homes; (i.e. BOCA and I Code).
Ineligible Properties:	<ul style="list-style-type: none"> • Condominiums
Occupancy Requirements:	<ul style="list-style-type: none"> • One or two unit owner occupied, primary homes. • One unit second homes.
Permanent Mortgage Rate Lock:	<ul style="list-style-type: none"> • Available on 3/1, 5/1, and 7/1 ARMs. • Permanent fixed rate loan locked prior to modification (normally 30-60 days prior to home construction completion).
Convertible ARM	<ul style="list-style-type: none"> • Yes – at modification, customer may convert ARM to fixed rate or other ARM mortgage.
Construction Interest Rate:	<ul style="list-style-type: none"> • 1% per month during construction; permanent loan rate begins after modification. • Interest only (from Interest Reserve) during construction phase for funds disbursed.
Construction Term:	<ul style="list-style-type: none"> • 270-day Note construction term.
Maximum Loan-to-Value (LTV):	<ul style="list-style-type: none"> • 95% for qualified customers.
Down Payment Requirement:	<ul style="list-style-type: none"> • 5% minimum down payment – Land equity is applicable.
Mortgage Insurance:	<ul style="list-style-type: none"> • Mortgage Insurance is required for loans with 80% LTV or greater. Insurance must be in place before the construction period begins.
Fees and Costs:	<ul style="list-style-type: none"> • Typical closing and loan administration fees.
B/C “Damaged” Credit	<ul style="list-style-type: none"> • Yes, rate and fees may vary.
Construction Draws:	<ul style="list-style-type: none"> • Disbursements for work completed with standard draw request/lien waiver forms per construction disbursement schedule.
Draw Turn Around Time:	<ul style="list-style-type: none"> • Within 3 business days of receipt of documentation (average 48 hours).
Builder Qualification:	<ul style="list-style-type: none"> • Builders must complete a LHFS Builder’s Qualification Form. Active building experience and acceptable credit is required.
Existing Home	<ul style="list-style-type: none"> • Existing home must be sold before modification into the permanent loan can take place.