

# MODULAR CONSTRUCTION & HOME LOAN PROGRAM

Home financing for home building. Speed. Support. Care.

## Top Reasons to Choose Us for Home Financing





- Specialized home loan program for the construction of modular homes
- We simplified the modular home loan process in key areas as compared to other banks and lenders
- Efficient construction loan closing: 30 day turn times compared to 60 - 90 days for many other lenders
- Dedicated team of Loan Officers, Client Managers and Underwriters who focus on modular construction



## **Basics of the Construction Loan Program**



Up to 95% of future value of your home can be financed (VA up to 100%) One-time closing

- Long-term financing options at the end of construction include
  - Jumbo, FHA, VA, and Conventional
- · Loan finances the lot purchase, construction, and long-term financing
- Save money with only one appraisal and set of closing costs
- No need to worry about requalfication once the construction is complete you'll only need to credit-qualify once
- Rates are locked in prior to closing, with final terms converted to permanent terms once construction is finalized
- Available for primary residences, second homes and investment properties

#### **Interest-only during construction**

Make interest-only payments on the construction loan during building.
The remaining balance will roll into the permanent loan.

## Convenient & fast draw process with dedicated service professional

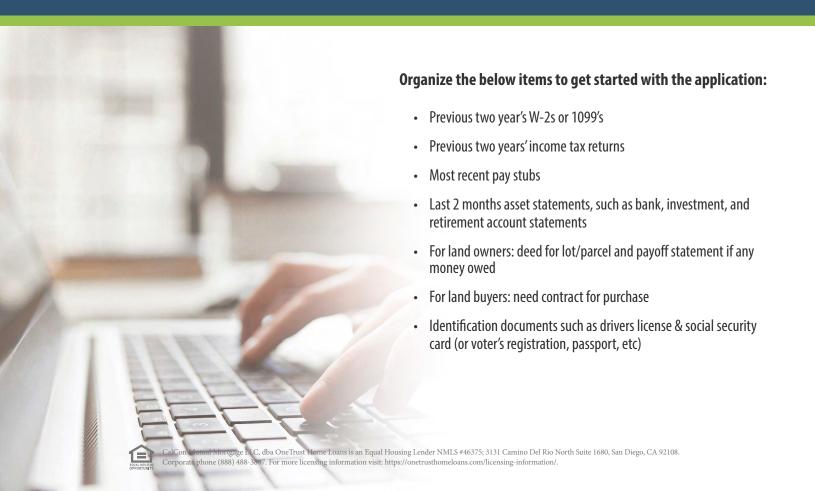
 Upon completion of each designated stage of work, S<sup>2</sup>A Modular will submit a draw request for the lender to review and approve, and ensure the project is on schedule.





## Let's Get Started by Applying for the Loan!





## **Prepare to Build**



#### **Step 1: Get Pre-approved**

Send in the necessary documents to apply for the construction loan, we'll review, and get you pre-approved!

Step 2: Customize the buildout of your home with S<sup>2</sup>A Modular

Step 3: Provide S<sup>2</sup>A Modular contract to your dedicated Modular Home Loan Specialist

#### Step 4: Get approved for the construction loan

With the help of your Modular Home Loan Specialist, your construction loan will receive final approval so the building can begin!

#### **Step 5: Establish your draw schedule**

This schedule determines the stages that S<sup>2</sup>A Modular will draw money for the build and placement of your home.

Step 6: Contracts are agreed upon and signed

#### **Step 7: Construction loan is funded**

Building can begin!





### **Loan Process for the Construction Loan**



#### **Step 1: File review**

During File Review, the mortgage lender will verify the information and support documentation in your home loan application.

#### Step 2: Order appraisal

The home appraisal is ordered using the contract with S<sup>2</sup>A Modular, as well as the plans for your new home.

#### **Step 3: Underwriting**

Your home loan application will be assigned to a dedicated Underwriter that specializes in construction modular homes. They will review your home loan application, and make sure it aligns with the Construction Modular Home Loan Program guidelines. They'll also outline anything else that might be needed, also known as the "conditions."

#### **Step 4: Processing**

From this point forward, your dedicated Client Manager will be your main point of contact. Your Client Manager is 100% focused on clearing up any conditions, so that Underwriting can approve your home loan application.

#### Step 5: Final underwriting approval

Your dedicated Underwriter will take one last good look at your home loan application, and issue the final decision on your home loan application.

#### Step 6: Closing docs are prepared

Once your home loan application is approved, the mortgage lender will prepare your final loan documents so that you can sign them with the closing agent.

#### Step 7: Sign docs & begin construction

Once you've signed your loan docs with the closing agent, and all documents have been recorded by the title company, construction begins.

#### Step 8: Servicing the construction loan

Throughout the construction of your home, we'll help process your loan interest payments and draw disbursements.





## **Beginning Construction**



#### Step 1: Deposit paid to S<sup>2</sup>A Modular

Any loans for the land upon which your house will be built is also paid off by the new loan.

#### **Step 2: Foundation is built**

#### Step 3: Home is delivered and placed on foundation

Balance of S<sup>2</sup>A Modular's contract is due in full at this time.

• 3 – 4 months after construction loan closing

#### Step 4: S<sup>2</sup>A Modular completes the finish out of the home

Loan construction is typically fully funded upon completion.

• 3 – 4 months after construction loan closing

#### **Step 5: Convert to Permanent Financing**

With the one-time close construction loan, once the home is complete and you have the certificate of occupancy, then the construction loan rolls into the 30-year fixed mortgage.





