

# Construction Only - borrower owns the land

When the borrower owns the land where the home will be constructed, **Lot Purchased Separately** is marked and **Amount of Existing Liens** is answered, if applicable. **Construction Costs** is the cost to build the home.

Amounts	
<input type="checkbox"/>	Renovation Loan
<input checked="" type="checkbox"/>	Lot Purchased Separately
35,000	Amount of Existing Liens
220,000	Construction Costs
60,000	Present Lot Value
280,000	As Completed Appraised Value
224,000	Loan Amount

In Collateral > Real Estate, **Purchase Money** is not marked and **New Construction** is marked.

▲ All Input

- Focus
- ▶ Loan Information
- ▶ Application Information (1) Add Another
- Downpayment (None) Add Another
- ▲ Collateral (1) Guaranties (None) Cosigners (None)
- ▲ Real Estate (1) Add Another
- ▶ 1000 New Home Road Lincoln, NE 68501 Remove
- Other Collateral (None) Add Another
- Separate Security (None)
- Guaranties (None) Add Another
- Cosigners (None) Add Another
- ▶ Fees
- ▶ Summaries of Transaction
- ▶ Decision: Pending
- ▶ Closing Data
- ▶ Year End Reporting

1000 New Home Road Lincoln, NE 68501

1000 New Home Road

Lincoln, NE 68501 ; Lancaster

Purchase Money

Select an existing REO or Borrower Address

Address

City ST Zip: County

New Construction

Year Built

Number of Units

Lot Purchased Separately

05-01-2018

60,000

35,000

60,000

25,000

280,000

Date Lot Acquired

Original Lot Cost

Amount of Existing Liens

Present Lot Value

Present Lot Equity

As Completed Appraised Value

In the example above,

- **Amount of Existing Liens** is answered; the Loan Estimate and Closing Disclosure show "Refinance" as the PURPOSE; otherwise, if there were no liens on the land the PURPOSE would be "Construction".
- **PROP. VALUE** is the As completed Appraised Value.
- The loan will have 11 monthly payments of only interest and 1 final payment of principal plus interest.

PROP. VALUE \$280,000

**LOAN TERM** 1 year  
**PURPOSE** Refinance  
**PRODUCT** 11 mo. Interest Only, Fixed Rate

Loan Terms	
Loan Amount	\$224,000

Projected Payments			
Payment Calculation		Year 1	Final Payment
Principal & Interest		\$475.62 <i>only interest</i>	\$224,460.27
Mortgage Insurance	+	0	+ 0
Estimated Escrow <i>Amount can increase over time</i>	+	0	+ ---
<b>Estimated Total Monthly Payment</b>		<b>\$475.62</b>	<b>\$224,460.27</b>
<b>Estimated Taxes, Insurance &amp; Assessments</b> <i>Amount can increase over time</i>	\$110 a month	<p><b>This estimate includes</b></p> <p><input checked="" type="checkbox"/> Property Taxes <span style="float: right;"><b>In escrow? NO</b></span></p> <p><input type="checkbox"/> Homeowner's Insurance</p> <p><input type="checkbox"/> Other:</p> <p><small>See Section G on page 2 for escrowed property costs. You must pay for other property costs separately.</small></p>	

Adjustable Payment (AP) Table disclosures are required in a construction loan, when there are interest only payments.

In the AR table the amount and range of the first periodic P&I payment that may change can be left blank. However, the timing of the first change is disclosed as the first payment, assuming the drawn balance for the first payment is unlikely to be the same as the balanced used to disclose to calculated the payment under appendix D.

**Subsequent Changes** is disclosed as the smallest period of adjustments that may occur.

**Maximum Payment** is disclosed based on the assumption that the maximum interest only payment would be calculated using the maximum principal balance.

**Adjustable Payment (AP) Table**

Interest Only Payments?	YES for your first 11 payments
Optional Payments?	NO
Step Payments?	NO
Seasonal Payments?	NO
<b>Monthly Principal and Interest Payments</b>	
First Change/Amount	1st payment
Subsequent Changes	Every month
Maximum Payment	\$951 starting at 1st payment

When there is no seller the alternative Calculating Cash to Close table may be disclosed.

<b>J. Total Closing Costs</b>	<b>\$2,174</b>
D + I	\$2,174
Lender Credits	

**Calculating Cash to Close**

Loan Amount	\$224,000
Total Closing Costs (J)	-\$2,174
Estimated Total Payoffs and Payments	-\$255,000
Estimated Cash to Close <input checked="" type="checkbox"/> From <input type="checkbox"/> To Borrower	\$33,174
Estimated Closing Costs Financed (Paid from your Loan Amount)	\$0

**Estimated Total Payoffs and Payments**

includes Construction Costs of \$220,000 and the Amount of Existing Liens, \$35,000, that will be satisfied as part of the transaction.

The Closing Disclosure reflects a change in (D) Total Loan Costs and the final payoff of the existing lien on the property.

Construction Holdback and Construction Costs are separate entries. Construction Holdback is entered in the questions under Pavoffs and Payments.

**Payoffs and Payments**

Use this table to see a summary of your payoffs and payments to others from your loan amount.

TO	AMOUNT
01 Construction Holdback	\$220,000.00
02 Lot Loan Payoff	\$34,658.42
<b>K. TOTAL PAYOFFS AND PAYMENTS</b>	<b>\$254,658.42</b>

**Calculating Cash to Close**

Use this table to see what has changed from your Loan Estimate.

	Loan Estimate	Final	Did this change?
Loan Amount	\$224,000	\$224,000.00	NO
Total Closing Costs (J)	-\$2,174	-\$2,139.30	YES • See Total Loan Costs (D)
Closing Costs Paid Before Closing	\$0	\$0	NO
Total Payoffs and Payments (K)	-\$255,000	-\$254,658.42	YES • See Payoffs and Payments (K)
Cash to Close	\$33,174	\$32,797.72	
	<input checked="" type="checkbox"/> From <input type="checkbox"/> To Borrower	<input checked="" type="checkbox"/> From <input type="checkbox"/> To Borrower	Closing Costs Financed (Paid from your Loan Amount) \$0