

Construction Permanent - borrower owns the land

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

Construction Costs is the cost to build the home.

Construction Term is calculated and is the number of days from **Closing Date** to **Construction End Date**.

The indicated questions are answered based on the terms of the permanent financing.

Construction End Date is the date that the construction phase interest ends and interest begins to accrue on the permanent financing. In a loan with 30/360 accrual, this date should be one period prior to the first payment. For example, when payments will be made monthly, this date is one month prior to the **First Payment Date for Permanent Financing**.

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
<input type="checkbox"/>	Multiple Advance
80.000	Loan To Value Ratio
5	Interest Rate
	Interest Rate for Construction (if different)
Permanent Financing Terms	
374 Days	Construction Term
<input type="checkbox"/>	Single Pay
→ 30 Years	Loan Term for Permanent Financing
→ Monthly	Payment Frequency
<input type="checkbox"/>	Interest Only
→	Number of Payments Until Balloon
1,202.48	P&I Payments
1,202.78	Final Payment
Dates	
05-22-2018	Application Date
06-22-2018	Closing Date
06-22-2018	Disbursement Date
07-01-2019	Construction End Date
07-01-2019	Interim Interest To
→ 08-01-2019 *	First Payment Date for Permanent Financing
07-01-2049	Maturity Date

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)	
▶ Real Estate (1)	Add Another
▶ 111 1st Street Lincoln, NE 68501	Remove
▶ Fees	
▶ Summaries of Transaction	
▶ Decision: Pending	
▶ Closing Data	
▶ Year End Reporting	
▶ Lender: FocusAgent Financial, Lincoln, NE	

<input type="checkbox"/>	Purchase Money
111 1st Street Lincoln, NE 68501	Select an existing REO or Borrower Address
111 1st Street	Address
Lincoln, NE 68501 ; Lancaster	City ST Zip: County
<input checked="" type="checkbox"/>	New Construction
	Year Built
	Number of Units
<input checked="" type="checkbox"/>	Lot Purchased Separately
05-01-2018	Date Lot Acquired
60,000	Original Lot Cost
35,000	Amount of Existing Liens
60,000	Present Lot Value
25,000	Present Lot Equity
280,000	As Completed Appraised Value

In this example,

- **Amount of Existing Liens** is answered and 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 12 monthly payments of only interest, during the construction phase, and 360 monthly P&I payments in the permanent financing.

PROP. VALUE \$280,000

LOAN TERM 31 years
PURPOSE Refinance
PRODUCT 1 Year Interest Only, Fixed Rate

Loan Terms	
Loan Amount	\$224,000

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, since the drawn balance for the first payment is unlikely to be the same as the balance used to calculated the payment under appendix D, the timing of the first change is "1st payment".

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

Maximum Payment is the first payment of principal and interest, counting from the first payment under the construction pha

Adjustable Payment (AP) Table

Interest Only Payments?	YES for your first 12 payments
Optional Payments?	NO
Step Payments?	NO
Seasonal Payments?	NO
Monthly Principal and Interest Payments	
First Change/Amount	1st payment
Subsequent Changes	Every month
Maximum Payment	\$1,202 starting at 13th payment

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

Calculating Cash to Close

Loan Amount	\$224,000
Total Closing Costs (J)	-\$3,900
Estimated Total Payoffs and Payments	-\$255,000
Estimated Cash to Close <input checked="" type="checkbox"/> From <input type="checkbox"/> To Borrower	\$34,900
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 Payoffs 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 Holdbacks	\$220,000.00
02 Payoff Lien on Lot	\$34,862.41
K. TOTAL PAYOFFS AND PAYMENTS	\$254,862.41

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)	-\$3,900	-\$3,905.19	YES • See Total Loan Costs (D) and Total Other Costs (I)
Closing Costs Paid Before Closing	\$0	\$0	NO
Total Payoffs and Payments (K)	-\$255,000	-\$254,862.41	YES • See Payoffs and Payments (K)
Cash to Close	\$34,900	\$34,767.60	
	<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