

What to Expect During the Home Improvement Loan Process



1 LOAN ORIGATION

Your Tasks:

- Submit your application and activate loan hub
- Sign and return loan disclosures, and provide intent to proceed
- Provide income and asset documentation
- Request to lock in interest rate
- Establish membership, if not already a member
- Provide builder contact information
- Provide finalized construction contract, plans and specifications

Our Tasks:

- Advise on most appropriate loan program and interest rates
- Issue loan estimate and other regulatory loan disclosures
- Complete initial review of loan application and documents
- Complete builder registration process
- Submit loan to Underwriting for conditional approval
- Lock in interest rate

After these tasks are completed, you will work with one of our Processors in Section 2.

2 PROCESSING

Your Tasks:

- Submit additional documents, if requested
- Provide proof of homeowner's insurance and/or flood insurance, if required
- Provide title company preference, if applicable

Our Tasks:

- If applicable, follow up on any changes made to construction contract, plans and specifications
- Order necessary documents from third parties: appraisal, title work and flood certificate
- Note: Appraisal is ordered based on land value with finalized construction contract, plans and specifications costs per market conditions
- Complete verifications: employment, assets and liabilities

After these tasks are completed, you will work with one of our Closers in section 4.

3 UNDERWRITING

Your Tasks:

- Note: Upon loan approval, we advise limiting applications for new credit as it may affect eligibility

Our Tasks:

- Evaluate supporting documents
- Check file for completeness and data consistency
- Issue a "clear to close" upon satisfaction of all conditions

4 PRIOR TO CLOSING

Your Tasks:

- If not completed, finalize builder's risk insurance with builder and if required, homeowner's insurance and flood insurance, at least 7 days prior to closing
- Review closing disclosure
- Secure funds for closing

Our Tasks:

- Verify closing date and time
- Issue closing disclosure
- Provide the amount of funds needed at closing
- Send closing documents to title company or branch
- Coordinate closing with the builder

5 CLOSING

Your Tasks:

- Sign the loan closing documents (builder will also sign the closing documents)
- Pay funds needed for closing

Our Tasks:

- Review signed loan document for funding approval
- Fund the loan
- Send documents for recording
- Begin draw process (See Construction Loan Information document that is included in your initial disclosure package for further details.)