

# BUILDING A HOME CAN BE EASY.

Please contact your Mortgage Professional  
today to learn more.



NORTH  
SHORE  
BANK

*The Bank of You*



Member FDIC

# ALL-IN-ONE CONSTRUCTION LOAN

Save money with one application, one closing and one loan.

**The All-in-One Construction Loan provides funds throughout the building process, and once construction is complete becomes a permanent mortgage.**

- Long term repayment options available.
- Save money because there is no need to refinance when construction is complete.
- Rate lock period of 75 days.
- Draw requests and inspections that meet both the builders and your needs.
- Make interest-only payments during your construction period.
- Low down payment loan programs are available. Ask for details.

**Finish construction than move.**

- North Shore Bank offers loans that allow 85% of the value of an existing home, less any existing mortgage balances. This amount can be used as the down payment or equity for building a new home.
- With 20% or more in combined equity between the new home and your existing home a Blanket Mortgage Loan can be used; which means one loan and one monthly payment. When the first home sells the proceeds are applied to the loan and it is amortized (set new monthly payments) based on the remaining loan balance.

# NEW CONSTRUCTION STEP-BY-STEP

## Basic steps to financing the construction of a new home.

1. Be PreApproved, through North Shore Banks Online PreApproval form.
2. Find a lot and write an offer to purchase the property.
3. Select a builder and finalize a contract with them.
4. Apply for and close a construction loan. If there is a balance for the lot it will be added to the new loan with North Shore Bank. The construction period must be completed within 11 months.
5. North Shore Bank will set up a construction escrow account that holds the funds needed based on the contract with your builder.
6. Your monthly payment during construction is based on the interest of the draws plus any required escrow.
7. As the home is built, the builder will request up to four draws for payment. Each draw covers the work completed and materials installed to date based.
8. Before the final draw is made, the appraiser must certify that the house has been completed per the original plans and specifications.
9. Once the final disbursements have been made regular monthly payment (principal, interest and any required escrow) will begin.
10. Move into the new home!

## How the draw request process works.

1. The bank employs a title insurance company to inspect the construction site to verify that work being requested for payment has been completed.
2. The builder notifies the title company, who will handle all draw requests and perform periodic property inspections.
3. The title company calls for approval of the draw request, and will notify North Shore Bank of any change orders and up charge requests.
4. With each draw request, the title insurance company collects lien waivers from all sub-contractors, the general contractor and material suppliers being paid from that draw to ensure they cannot place liens against your property at a later date.
5. For the final draw, a copy of the occupancy permit and the contractor's affidavit and release for services performed must be provided.
6. The appraiser for the bank also makes a final inspection and certifies that the home has been completed per the plans and specifications agreed to in the contract.

# NEW CONSTRUCTION WORKSHEET

|   |   |          |
|---|---|----------|
| Price or value (if currently own) of lot: |   | \$ _____ |
| General Builders Contract:                | + | \$ _____ |
| Survey                                    | + | \$ _____ |
| Architect and plans:                      | + | \$ _____ |
| Water laterals/well:                      | + | \$ _____ |
| Water pump:                               | + | \$ _____ |
| Sewer lateral/septic system:              | + | \$ _____ |
| Appliances:                               | + | \$ _____ |
| Electric hook up:                         | + | \$ _____ |
| Permits:                                  | + | \$ _____ |
| Excavating:                               | + | \$ _____ |
| Grading and back fill:                    | + | \$ _____ |
| Driveway:                                 | + | \$ _____ |
| Landscaping:                              | + | \$ _____ |
| Overages on allowances:                   | + | \$ _____ |

Any item where cost has been included in the builders Contract price, please place an (\*).

|  |   |            |
|--|---|------------|
| TOTAL:   | = | \$ _____   |
| Lot equity:                                    | - | \$ (_____) |
| Other (Gifts/sweat equity):                    | - | \$ (_____) |
| Sub Total                                      | = | \$ _____   |
| Anticipated down payment (_____ %)             | - | \$ (_____) |
| <b>North Shore Bank mortgage amount needed</b> | = | \$ _____   |