



1st Signature
LENDING

CONSTRUCTION LOANS: STEP-BY-STEP PROCESS GUIDE

Construction to Permanent Loans are complex loan products that involve not just the customer but the home builder throughout the entire process.

HERE ARE THE MAIN STEPS YOU CAN EXPECT AS YOU EXPERIENCE THIS PROCESS.

1

ONE-TIME CLOSE LOAN.

While some lenders may offer a two-time close – 1st Signature Lending offers a One-Time Close. A one-time close is a more economical and efficient Construction to Permanent mortgage loan option.

2

PRE-QUALIFY AND APPLICATION

Similar to a traditional mortgage, customers still need to apply for a mortgage and provide the required supporting documents to ensure that they are qualified, and the loan can ultimately close.

3

CLEAR TO CLOSE

The lender will request an appraisal, letters of explanation, and other documentation throughout the process. Make sure you are quick to respond to all requests to ensure all parties can stay on schedule. Avoid making purchases until the home is complete and your loan is modified to the permanent term.

4

THE BUILD PROCESS

1st Signature Lending partners with vetted, approved builders to help our customers build their dream home. As work is completed, the lender fulfills draw requests from the builder which are acknowledged by both borrower and builder. All transactions are verified to protect all parties and ensure that all plans and specifications are completed.

5

MODIFY

When your builder has completed the construction of your home, the lender will notify you to modify. The modification process is the transition to your permanent fixed rate mortgage. This includes settling construction interest, escrow account, insurance, taxes, and finalizing your interest rate and payment.



CONGRATULATIONS!

You are moved into your newly built home! The process sometimes is challenging and takes time, but we do our very best to provide customers with the highest level of communication, and consideration as they go through the home build experience.

CONTACT US

If you or someone you know is interested in learning more about Construction to Permanent mortgage lending please contact us at by phone or email.



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