



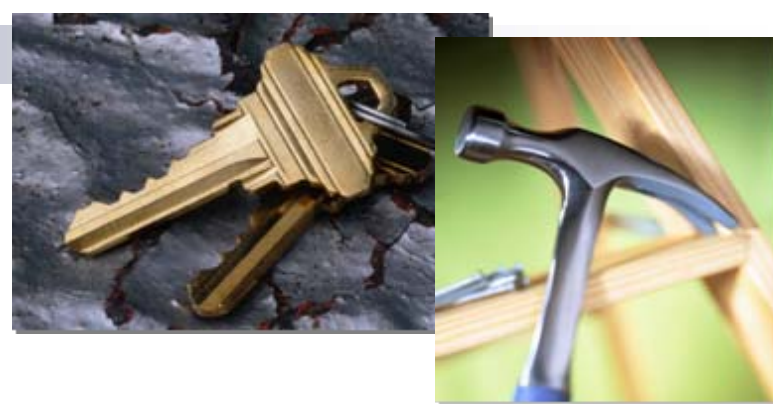
One Time Close





Who has done a One-Time Close Loan?

One-Time Close



- Construction and permanent financing rolled into one.
 - If you are planning to build your next home, ask me about One-Time Close. This home financing program combines your new home's construction costs and permanent financing into one convenient loan. This means only one approval, processing and closing required – benefits that save you time and money.
- Other One-Time Close features include:
 - No duplicate closing costs
 - Low down payments
 - Multiple permanent financing options, including both fixed and adjustable rates
 - You may enjoy potential tax savings during your home's construction*

- The One Time Close is based upon the FUTURE appraised value of the total project and up to a 95% LTV. What this means for you is a Higher loan amount since the future appraised value, not acquisition Cost is used to determine the LTV. Closing cost can be rolled into the Loan and you can start construction with NO money down.
- There is no seasoning on the land and if a balance is owed, it will be paid off at the close.
- Up to 10% soft cost draw to the builder can be made at the initial close.
- The customer's interest rate during construction is prime + 1.5%
- The builder's draws and property inspections are done locally and draws can be wired into your checking account.
- Gulf States Mortgage Corporation has been lending construction money for over 10 years.
- With contract, plans and specs and my application, we are typically 25-30 days to close

When Can A One Time Loan Be Used?

- To purchase a lot and construct a home.
- To payoff a lot (or refinance) and construct a home.
- To purchase an existing home in need of significant repair or demolition and reconstruction of at least \$16,000.00 in costs (purchase/rehab)
- To refinance an existing home and roll in the costs of repairs and or remodeling of at least \$16,000.00 in costs (refinance/rehab)

How to Calculate the Loan Amount

Example of paying off land & building

Contract Amount	\$300,000.00
Land Payoff	\$42,000.00
Closing Cost	\$9,500.00
Modification Account	\$10,000.00
Contingency	\$30,000.00
TOTAL COST OF PROJECT	\$391,500.00
Appraised Value	\$435,000.00
LTV=90% of Total Appraised Value	\$391,500.00
Borrower's Cash at Closing	\$0.00

How to Calculate the Loan Amount

Example of Purchasing Land & Building

Contract Amount	\$200,000.00
Land Payoff	\$55,000.00
Closing Cost	\$7,000.00
Modification Account	\$8,000.00
Interest Reserve	\$8,000.00
Contingency	\$10,000.00
TOTAL COST OF PROJECT	\$288,000.00
Appraised Value	\$320,000.00
LTV = 90% of Total Appraised Value	\$288,000.00
Borrower's Cash at Closing	\$0.00

Interest Reserve

Date	Amount
10/20	\$ 738.97
10/21	\$26.53
10/22	\$30.53
10/23	\$24.21
10/26	\$62.24
10/27	\$308.42

- An interest reserve account is used by the lender to automatically cover the monthly interest payments during the course of construction.
- The originator may waive the reserve if the primary borrower has a median credit score of 640 or better and elects not to establish the account.

Contingency Reserve

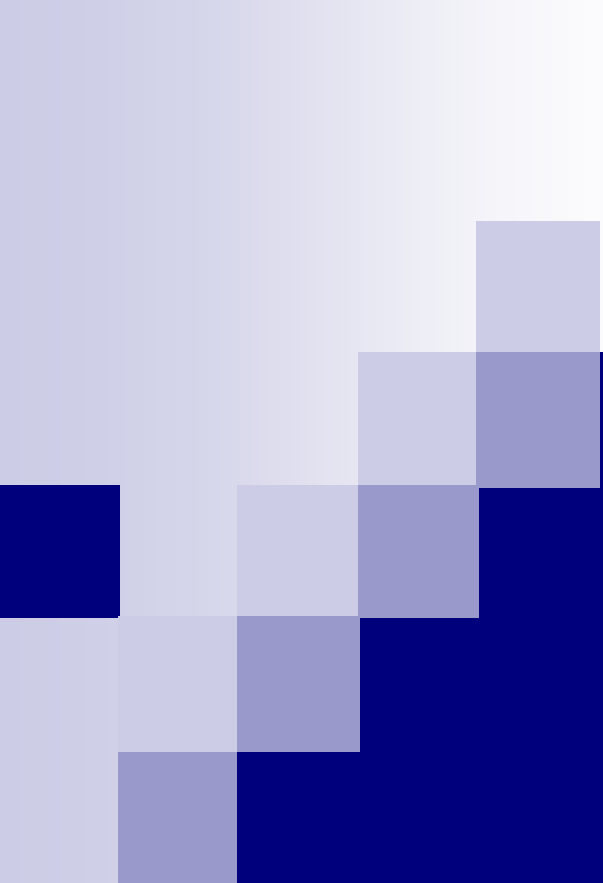
Date	Amount
10/20	\$ 738.97
10/21	528.82
10/22	536.53
10/23	524.21
10/26	362.24
10/27	358.42

- A Contingency Reserve is used to cover unexpected cost overruns or change orders during construction.
- The originator may request to have this reserve account waived if the following apply:
 - The construction contract is All-Inclusive and fixed price and the LTV/CLTV is 85% or less or the borrower has cash reserves of at least 5% of direct costs after closing.
 - If the borrower does not use these funds, there will be a Principal Reduction at conversion. The loan will be reamortized/recast to lower the principal and interest payment based on the new, lower principal balance.

Modification Account

Date	Amount
10/20	\$ 738.97
10/21	528.82
10/22	298.53
10/23	524.21
10/26	382.24
10/27	308.42

- A modification account is used by the borrower at time of modification to help pay the taxes, insurance, and interest due.
- Remember the Lender does not collect taxes and insurance (escrow) during the construction phase.
- These escrow funds are collected at time of the modification plus any per diem interest due on the construction and the permanent loan (total of 30 days)
- Establishing this account at the time of closing helps ensure the borrower has the funds when the house is completed to “roll-over” into permanent financing



Prequalification is FREE, Quick, & Simple

- Complete the Pre-application & Credit report request today to get your process started.