# ONE-TIME CLOSE NEW CONSTRUCTION

➤***This program is designed for borrowers who want to build a home but don't know where to start. It combines the purchase of land, construction costs, and permanent financing into one loan and one closing***

| 8-STEP PROCESS | |
|---|---|
| **Dream Home** | • Start with borrower pre-qualification. Once financial readiness is confirmed, the borrower can select a builder and begin home design. If land isn't already owned, a real estate agent can assist in finding a suitable lot. |
| **Hire a Contractor** | • Borrower chooses a licensed local builder and shares their vision. Builder information is submitted to Granite for approval. |
| **Contractor Approval** | • The builder completes the Contractor Review Submission Form. Granite reviews experience, history, references, insurance, and licensing. A $150 review fee is paid. Approval is required before underwriting begins. |
| **Project Approval & Underwriting** | Submit the required documentation to Granite:<br>• Signed construction contract<br>• Budget/cost breakdown<br>• Approved plans and elevations<br>• Appraisal based on those plans<br>• Building permits (if applicable)<br>• Prepaid items<br>• Draw-at-close documentation<br>• A $300 project review fee is required to begin. Approval is issued within 3 business days after all items are received.<br>• TIP: If borrower is buying land, set loan purpose as Construction Purchase. If borrower already owns land, set as Construction Refinance. |
| **Closing** | • Once title is recorded, the first construction draw is released. The borrower's loan is now closed and building begins. |
| **Construction Process** | Granite oversees construction and manages:<br>• Timelines<br>• Licensing & title<br>• Insurance<br>• Inspections<br>• Disbursements<br>• Lien waivers<br>• Tag Lending Group inspects all work upon completion. |
| **Construction Completion** | • Builder provides a Certificate of Completion. Tag Lending Group orders the final inspection with an appraiser. |
| **Modification Period** | • After final inspection, the borrower signs final loan documents. Any unused funds are applied to the loan principal, and the mortgage converts to its permanent fixed-rate term with Tag Lending Group. |

TAG LENDING GROUP

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# CONVENTIONAL FIXED MATRIX

➤*(15- and 30-Year Terms | Interest-Only During Construction | Max 11-Month Build Period)*

## PURCHASE & RATE/TERM REFINANCE

| OCCUPANCY TYPE | MAX LTV/CLTV/HCLTV | MIN FICO |
|---|---|---|
| **Primary** | | |
| **1 Unit** | • 95%[1,3] | • 700 |
| **2–4 Units** | • 95%[1,3] | • 700 |
| **Second Home** | | |
| **1 Unit** | • 90%[1,3] | • 700 |
| **Investment** | | |
| **1 Unit** | • 85%[1,2,3] (Purchase) | • 700 |
| **2–4 Units** | • 75%[3] | • 700 |

## BASIC PRODUCT PARAMETERS

- Fannie Mae Only: DU Approve/Eligible findings required
- Temporary Buydowns: Not permitted
- Escrow Waiver: Required during construction period
- Principal Reductions: Not permitted
- Loan Limit: Based on conforming limits by county and unit count
- 5% Reserve: Held for construction contingency
- Property Restrictions: Co-ops, attached condos, and manufactured homes not permitted
- Credit Documentation: Must be current within 12 months at time of loan modification
- Final Draw: Held until all construction requirements are complete (e.g., Final Inspection, COO, conversion to permanent financing)

## MI COVERAGE (SEE MI GUIDELINES FOR FICO REQUIREMENTS)

| LTV | 15-YEAR TERM | 30-YEAR TERM |
|---|---|---|
| **90.01% – 95%** | • 25% | • 30% |
| **85.01% – 90%** | • 12% | • 18% |
| **80.01% – 85%** | • 6% | • 12% |

**STATE RESTRICTIONS** :Texas 50(a)(6) loans are not permitted


**CALL TODAY FOR DETAILS!**

**JAMES CARMICHAEL**
**NMLS No. 917503**
***Regional Director, Builder Sales***
***Tag Lending Group***
**Phone: 561-900-4415**
**Email: jcarmichael@taglendinggroup.com**


**SCAN NOW!**