# CONSTRUCTION AND REHAB PROCESS

An overview of the "who" & "what"



# **Builder/ GC** or Project Manager

NOTE: Work must be completed and verified prior to paying a draw to the builder/project mgr

#### **Initial Draw:**

- Modular Order or Building Permit
- Site Survey
- Insurance (General Liability
- Final Budget

#### All Draws:

- Fully executed draw request (Disbursement Authorization)
- Contractor's Affidavit Invoices or lien waivers for current draw
- Cleared lien waivers from previous draw

#### **Final Draw:**

- Certificate of Occupancy or Local Equivalent
- Final Lien Waiver per state requirements
- Government financing (FHA or VA) will require additional documentation. Confirm with draw analyst.



### Borrower(s)

#### All Draws:

• Fully executed draw disbursement authorization



### **TFSB Draw Team:**

tfsbbuilderdrawrequest@thefederalsavingsbank.com

#### **Draw Documentation:**

- Inspection
- Title update to confirm liens have not been filed.

#### **Service Level Agreements:**

- Funds are typically paid in 5 business days from receipt.
- Requests for a draw should receive a response within 48 hours.



### **Banker**

Here to answer questions, support and guide you along the way.



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## **Application Process**



Applicant(s) submit an application for a construction loan



Applicant select a

Applicant select a builder/project mgr TFSB will review and then accept



Applicant to finalize with the builder /project manager blueprints, and contract





Applicant finalizes the lot details if applicable.



# **Construction Loan Approval**





Initial Disclosures are signed and credit qualifying documentation is provided to Banker



TFSB Team will order an Appraisal for an opinion on the value of the land and home post-construction





Construction Loan is underwritten. Borrower provides underwriter conditions to clear the file





**Construction Loan Closes** 



# The Fun Begins!!!





Construction begins - TFSB, builder/project manager and borrower(s) work together during construction to ensure a smooth build





TFSB will issue draws to the Builder/Project

manager, covering the cost of the work that has been completed in each phase





At approximately 70%-80% of the construction, TFSB will work with the borrower to initiate permanent financing





Permanent loan is processed similar to the construction loan approval, and once the home construction is completed, the loan closes - Borrower moves into the new home!!!