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One Rate One Closing One Loan

Your Guide to Building On, Up or Out with a St. Mary's Bank
Construction-to-Permanent Loan



The Mortgage Center

St. Mary's Bank

1-888-705-9596 | www.stmarysbank.com



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Save and Simplify with St. Mary's Bank Construction-to- Permanent Financing

Congratulations on your decision to make the house of your dreams a reality. Whether you're building from the ground up, adding on, or taking an existing home down to the studs, St. Mary's Bank can help make financing the easiest part of your project.

Save time and money and gain peace of mind by combining financing for your land, construction, and mortgage into one St. Mary's Bank single-close construction-to-permanent loan.



How Construction-to- Permanent Financing Works

With a St. Mary's Bank construction-to-permanent loan, your short-term construction financing needs and long-term mortgage needs are included in one convenient loan.

You select your permanent mortgage terms, lock in an interest rate, and have your one-time closing upfront, before your contractor even breaks ground.

During construction, you make interest-only payments only on disbursements made.

After construction, your loan transitions to a permanent mortgage, and you make monthly payments that include principal, interest, and escrow, if applicable.



Why Choose a St. Mary's Bank Construction-to- Permanent Loan?

There are many reasons to choose St. Mary's Bank as your trusted construction loan lender—chief among them is outstanding member service.

We believe communication is the key to ensuring there are no surprises when it comes to the financial aspects of your project. When you work with St. Mary's Bank, you are assigned an experienced mortgage loan specialist and construction loan administrator to work directly with you to answer questions and provide guidance from application to closing and beyond.



Features and Benefits to Build On



Flexibility: One Loan, Multiple Ways to Use It

With a St. Mary's Bank construction-to permanent loan, you have great flexibility. Whether you have plans for a vacation home or a primary residence, you can use our construction-to-permanent loan to:

- Purchase land and build a home on that land.
- Finance construction of a home on a previously-purchased lot (and combine any existing mortgage with your construction-to-permanent loan).
- Finance a remodel of or addition to your current home.



A Choice of Permanent Mortgage Terms

- Options include a fixed-rate loan or a 7/1 or 10/1 adjustable rate mortgage
- Generous LTV as high as 95%



Lock in Your Rate, Minimize Your Risk

Enjoy the protection and security that comes with locking in the interest rate on your loan prior to closing. Once the rate is set, it will become the rate for your interest-only payments during construction, as well as the rate of your permanent mortgage.



Time is on Your Side

From weather delays to plumbing issues, the unexpected can happen during any construction project. That's why St. Mary's Bank gives you up to 12 months to complete construction of your new home or remodel.



Cost Savings and Convenience: One Application, One Closing

You'll have just one closing date to put on your calendar and just one set of closing costs to consider.



Save Time with Personalized Member Service

We know how every minute counts when it comes to keeping a construction project on track. That's where working with St. Mary's Bank can make a real difference. At the time of application, your mortgage loan specialist will work with you to move your loan forward to closing. They will stay in close communication with you throughout the financing process. Once your loan closes, you will be assigned a dedicated construction loan administrator who will assist you with every aspect of your loan, from construction to your final mortgage.

Throughout the financing process, you'll have experts to turn to who understand the details of your project and your financing needs.



Your First Step

If you are contemplating construction, your best first step is to get pre-qualified. It's best to get pre-qualified before you purchase or begin your project. Start your application Online at your convenience or work directly with a mortgage loan specialist. You'll quickly have clear knowledge of your buying power and options.



What to Expect During the St. Mary's Bank Construction-to-Permanent Financing Process

Here's what will happen when you are ready to move from an initial application to a permanent mortgage.

1 Consultation

Let's talk. Contact us so we can review mortgage options, terms and rates in detail, and discuss any information you need to get your application underway. We're happy to speak with you by phone or in person or at one of our branches. Making this process easy and convenient for you is our priority.

2 Application

If you did not get prequalified, start the application process online any time at www.stmarysbank.com. You'll be asked to provide information such as income, assets, and liabilities. From this point until closing, communication will be clear. Our team of experts will keep you informed and be available to answer your questions.

3 Documentation to Provide

Your mortgage loan specialist will specify what you need. The following are examples of typical construction-related documents you may be required to submit for review.

- ☐ A signed contract between you and the general contractor you have selected and vetted. The contract must include all projected construction costs, including options, upgrades, and lot value.
- ☐ For renovation projects, provide a list of material specifications to be used in the construction and the names of the subcontractors who will perform the work.
- ☐ Deed or purchase contract for the land you will build on (if you purchased your land within 6 months of applying for a construction-to-permanent loan, you must provide a closing disclosure).
- ☐ Final plans for your new home or remodel including a site plan, floor plans, and septic plan, as applicable.
- ☐ Builder information form and IRS W-9 form.
- ☐ Proof of builder liability insurance.
- ☐ Proof of hazard insurance with builder's risk coverage.
- ☐ Proof of payments already paid to the builder if applicable.
- ☐ Any municipal approvals already obtained.



4 Appraisal

We will schedule an appraisal to determine your home's market value based on your new home plans and specifications.

5 Decision

Once your application is complete with all required documentation, the loan decision is made. Now is the time to review the terms of your loan and ask your mortgage loan specialist any questions to make adjustments if needed before the loan closing.

6 Closing

You will be contacted to select a date for your closing. Expect the Closing Disclosure, detailing the closing costs and all funds needed at the time of closing, at least three days before closing.

- All borrowers on the loan must sign the closing documentation.

We provide extra personal attention at closing. Our construction loan administrator will explain the construction process and related forms.

7 Construction

It's time for your contractor to break ground. Our construction loan administrator will take over from your mortgage loan specialist as your dedicated point of contact, and will work with you and your builder to schedule disbursement inspections, obtain title updates, and answer questions as they arise.

8 Disbursements

The funds needed to build your home will be disbursed to your builder. As key project milestones are completed, inspected, and approved, our construction loan administrator will coordinate payments to your builder. Any funds you contribute towards the construction will be used first. Any change orders to the original contract will be your responsibility to pay the builder directly.

9 Monthly Payments

At this point, you will make interest-only payments only on funds that have been disbursed.

10 Permanent Mortgage

You are ready to move in, and your loan is ready to move on to its permanent mortgage terms. Payments will now include principal, interest, and any escrow amount dictated by your loan documents.



Put Your Plans in Action Today

Leave the heavy lifting to your contractor and the financial legwork to us.

We'll help you lay your foundation by the numbers first. Contact a St. Mary's Bank mortgage loan specialist at **1-888-705-9596** today.

Q&A

Is this program right for me?

When you are buying and/or building on land anywhere in New Hampshire, we've got you covered.

What types of additional fees are involved with a construction loan?

Construction fees and property inspection fees.

How long does it take to close a construction loan?

Once you have selected a builder and completed the plans and building specifications, your loan can close within 60 days.

What will happen if I go over budget on my construction/remodeling project?

If there is a change order to your contract, you pay all additional expenses to the builder.

Can I build a multi-family home with a St. Mary's Bank construction-to-permanent loan?

You may build a one- or two-family home.

Is there a limit on the amount that can

be disbursed to my builder at any one time during construction?

The amount disbursed to the builder is based upon the work completed by the builder at the time of the disbursement inspection.

Will any fees be due when my loan converts to the permanent stage?

St. Mary's Bank charges no additional fees—that's the advantage of our one-close construction loan.

Who can help me with questions during my project construction?

What sets St. Mary's Bank apart is that we have a dedicated construction loan administrator, who is your resource and available to help. They will work with you and your builder to coordinate construction disbursement and answer questions you have during your project.



Member-owned and not-for-profit, we act in your best interests.
We provide an exceptionally smooth loan process from application to closing.
**Contact one of our mortgage loan specialists today
to discuss financing options for your project.**



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