

FINANCING

Since the LV Series Kit Home is a Kit of Parts and erected on-site as opposed to off-site (modular is erected off-site), this allows the home to qualify as 'new construction' and therefore your home can qualify for a traditional mortgage. Prior to attaining a traditional mortgage, you will need to get a construction loan and borrow money to build the home. Once your home has been built, you can then roll the construction loan into a traditional mortgage.

FINANCING TASK LIST

We have prepared the following list to keep in mind when securing financing:

1. PREPARE CONSTRUCTION COST ESTIMATE: In order to secure a construction loan, you will need a construction cost estimate. To attain a construction cost estimate, refer to Pg. 11.

2. LV SERIES INFORMATION: In order to secure a construction loan, you will need to get an appraisal, which means that you'll need to provide your lender with your LV Plans and general information. Our "Meet the LV" informational brochure is a great place to start. If you are a Preliminary Schematics client, share your plans with them. If there is a similar project in our online Projects page that best approximates what you are trying to achieve, share this with them as well.

3. THINGS TO KEEP IN MIND WHEN TALKING TO LENDERS:

- When talking to lenders, make sure that they know it is a construction loan, that you need land financing, and that they understand our homes (see task #2 above).
- Keep in mind that it is easier to deal with a direct lender, not a mortgage broker.
- Ask lenders if they offer the option to lock your interest rate at application. Also, ask if they allow you to roll your construction loan into a traditional mortgage. This type of financing is better, as it typically has only one set of closing costs (as opposed to two).
- Make sure to get pre-approved for a construction loan. This pre-approval will tell you what your monthly payments will be. The lender will need detailed information from you and your credit report in order to get precise underwriting findings in order to get your loan approval.