



Things to keep in mind during the Modification Process

1. Please advise us if your employment/income changes during the construction phase.
2. It is important that you continue to pay your debts timely & avoid any late payments or collection account.
3. Reminder that funds may be needed to establish an escrow account at the time of conversion if you wish to have one. Escrow accounts are required on loans with less than 10% down.
4. The extent of documentation needed for the modification varies based on each scenario. We may need to update your income and/or asset documents during the modification.
5. Any cost overruns or change orders will be your responsibility to pay as we can't increase the balance on the construction loan. If there is available equity, we may be able to offer a Home Equity loan.
6. Any Taxes billed during the course of construction are your responsibility and you should keep record of the payment.
7. You are able to pay down the principal on your construction loan during the construction phase as well as during the modification process. Please consult with us on what you will be paying down so we can properly communicate it across the necessary departments.
8. The modification process will conclude with you signing conversion documents. These documents will be date specific & will need to be signed in front of a notary.
9. You will be billed interest from the date you modify to the first day of the following month. This money will be collected at time of modification and your principal and interest payment will not begin until the first of the following month.
10. If you have questions please do not hesitate to contact your Mortgage Banker for more information.