

Residential Construction Loan FACT SHEET



Financing Your Home

- Finance up to 80% of the construction price or appraised value (based on what home will be worth when complete)
- Up to twelve months of interest only payments to complete project
- Borrowers are responsible for cost overruns if changes are made to the original construction plan.
- No second closing for permanent financing.

Building Your Home

- Self-builds (borrower building own home) are NOT permitted except for general contractors, by trade, who are building their own residence.
- Builder/General Contractor licenses will need to be approved by ICCU
- Builder's Risk Insurance and Homeowner's Insurance with ICCU listed as the loss payee are required until the project is complete.
- A preliminary Stake Survey must be done by a qualified land surveyor where the home will be located.

ICCU Estimated Closing Costs

- Credit report fee: \$32 or \$52 for joint application
- Inspection Fee: \$145 (per draw request)
- Appraisal Fee: \$435 - \$600
- Commitment Fee: \$625
- Flood Plain Determination: \$12
- Title Company Closing Fee: \$250 and up
- Title Company Supervision Fee: \$275 and up
- Title Company Insurance: Based on loan amount
- Recording Fees: \$60 and up
- Mortgage Survey: \$400 and up

What You Need

Required at time of application:

- Contractor/Builder Construction Purchase Agreement
- Specification sheet
- Cost summary
- Blue Prints

Required before construction begins:

- Zoning and building permits
- Notice of Commencement recorded at the County Register of Deeds

Required after construction ends:

- Certificate of Occupancy by housing authority
- Satisfactory Completion Certificate by the appraiser
- Mortgage Survey completed by a qualified land surveyor

Mortgage Department

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