



One-Time Close Conventional Construction Loan

Loan-to-Value (LTV) ratios up to 95% available
Applicable to new construction only — rebuilds are not eligible
Maximum construction term is 11 months — no exceptions permitted

Product	Occupancy	Property Type	Credit Score	Max LTV/CLTV ¹
Fixed Purchase and Rate Term	Primary	1 Unit	700	95% ^{1,3}
	Primary	2-4 Unit	700	95% ^{1,3}
	Second Home	1 Unit	700	90% ^{1,3}
	Investment	1 Unit		85% ^{1,2,3}
	investment	2-4 units		75% ³

¹ All loans over 80% LTV must obtain mortgage insurance.

² Max LTV for 1 Unit Rate/Term Investment 75%

³ 10% LTV reduction when the property is located in a declining/risky market.

Age of Documents	- For new and existing construction, credit documents must be no more than 4 months old on the date the note is signed, including credit reports and employment, income, and asset documents. Employment pay stubs must be dated within 30 days of the initial loan application. - Preliminary Title Policies must be no more than 180 days old on the date the note is signed.
Assets	Funds held in a checking, savings, money market, certificate of deposit, or other depository accounts may be used for the down payment, closing

	costs, and financial reserves. VODs are not acceptable • Cryptocurrency/Virtual Currency may only be used as funds for closing and reserves if it has been exchanged into U.S. dollars and is held in a U.S. or state-regulated financial institution. There must be sufficient documentation to verify that the funds originated from the borrower's cryptocurrency/virtual currency account. Acceptable documentation to use those funds includes the following: - o Documentation from Cryptocurrency exchange account verifying the borrower as the Legal Owner and not the nickname of the account, AND - o Previous borrower bank statement showing funds going into the same Cryptocurrency exchange account that the large deposit came from, OR - o 1099-B/MISC from the same Cryptocurrency exchange account that the large deposit came from, plus the borrower's Tax Returns reflecting the 1099 gain/loss
Automated Underwriting	Desktop Underwriter (DU) Approval required; No Manual Underwrites (Fannie Only)
Appraisal Requirements	Must be a full appraisal Builders plan and specifications Contract to build
Credit	• Follow fannie mae guidelines. All borrowers must have a credit score.
DTI-Maximum	Follow DU

Eligible Borrowers	• A natural person • U.S. Citizens • Permanent resident alien borrowers- must hold an unexpired "Green Card" issued by the U.S. Citizenship and Immigration Services (USCIS). A copy of both the front and back of the card is required. • Revocable Inter-Vivos Trust that meets Fannie Mae guidelines • Non-permanent resident aliens: temporary residents who • are eligible to live/work in the United States for a specific • period of time. Acceptable documentation of their work authorization is: An unexpired Employment Authorization Document (EAD) by the USCIS (including C-33 EAD/DACA), or an unexpired visa. Eligible types are E-1, G series, H series, or TN. If the authorization for temporary residency will expire within one year of closing and a prior history of residency status renewals exists, continuation may be assumed. If there are no prior renewals, the likelihood the authorization will be renewed must be determined based on information received from the USCIS. All borrowers are required to have a Social Security number
Eligible States	All states within the United States are eligible except U.S. territories, including Puerto Rico, Guam, the Northern Mariana Islands, and American Samoa. Cema's in NY are not allowed. Texas 50 a 6 not permitted.
Eligible Terms- Fixed	Fixed – 10, 15, 20, 25, and 30 Year
Eligible Transactions	Purchase or Rate Term
Escrow Waiver	Required during construction
Maximum Financed Properties (Investment Only)	Up to 10, including the Primary Residence, with a minimum 720 credit score and DU approval.
Maximum Loan Amount	Conforming Loan Limit with High Balance
Mortgage Insurance	LTV's greater than 80% require Standard Coverage. No Custom or reduced MI is allowed.
Property Type	Eligible • 1-4 Unit • Single Family (no manufactured) • Pud • Detached Condominium

Prepayment Penalty	None												
Property Flips	Non-arm’s-length transactions for properties involving a re-sale within the last 180 days and an increase in value are prohibited.												
Reserves	• DU will determine the reserve requirements based on the overall risk assessment of the loan, the minimum reserve requirement that may be required for the transaction, and whether the borrower has multiple financed properties. • If the borrower owns other financed properties, additional reserves must be calculated and documented for financed properties other than the subject property and the borrower’s principal residence. The other financed properties' reserves amount must be determined by applying a specific percentage to the aggregate of the outstanding unpaid principal balance (UPB) for mortgages and HELOCs on these other financed properties. The percentages are based on the number of financed properties: 1. 2% of the aggregate UPB if the borrower has one to four financed properties, 2. 4% of the aggregate UPB if the borrower has five to six financed properties, or 3. 6% of the aggregate UPB if the borrower has seven to ten financed properties (DU only). • The aggregate UPB calculation does not include the mortgages and HELOCs that are on the subject property, the borrower’s principal residence, properties that are sold or pending sale, and accounts that will be paid by closing (or omitted in DU on the online loan application). • Note: DU will also include in the UPB calculation open mortgages and HELOCs on the credit report that are not disclosed on the online loan application 5% of construction cost will be held for contingency fund.												
Seller Contributions	<table><tr><td colspan="2">Primary and Second Home</td><td>Investment</td></tr><tr><td>>90%</td><td>3%</td><td>All LTV/CLTV</td></tr><tr><td>75.01-90%</td><td>6%</td><td>2%</td></tr><tr><td><75%</td><td>9%</td><td></td></tr></table>	Primary and Second Home		Investment	>90%	3%	All LTV/CLTV	75.01-90%	6%	2%	<75%	9%	
Primary and Second Home		Investment											
>90%	3%	All LTV/CLTV											
75.01-90%	6%	2%											
<75%	9%												
Subordinate Financing	Not allowed												

Temporary Buydown

Not Allowed



a division of Midland Federal Savings and Loan Association is committed to equal credit opportunity and does not discriminate in any credit transaction based on sex, gender identity or expression, sexual orientation, marital or familial status, race, color, ethnicity, religion, national origin, age, disability, source of income (including public assistance), military status, or the good faith exercise of rights under the Consumer Credit Protection Act.