



New Home Construction Checklist

Building a new home can be confusing and frustrating. What do I need to do first? Where do I go? Who do I contact to get the job done right? The following is a general checklist to get you started.

- Determine the land on which to build your new home on.
- Obtain a pre-approval from your lender at AbbyBank. The pre-approval process will determine the total amount you can afford for the project including land, building and landscaping. Remember to allow extra funds for non-budgeted expenses such as overruns, missed deadlines, construction upgrades, and landscaping.

Tips to find the right financial institution:

- ✓ Talk to family and friends for recommendations.
- ✓ Find a bank with a strong history within the community.
- ✓ Work with a lender that you are comfortable with and services the loan locally. This allows you to contact the same lender for future questions.
- ✓ Make sure the construction loan allows at least 4 draws during the building process.
- ✓ Ensure the construction loan charges interest only on the disbursements (draws).

- Meet the builder to discuss home layout, building products, home style and pricing.
- Agree on home design and house plans with builder. This process may take a couple of changes to the home design and construction specs.
- Arrange financing on the construction process. Once you have an acceptable bid from your builder, bring your bid, plans and land information to your lender to complete the construction financing phase. At this point, discuss the mortgage loan options.
- Determine placement of home and land preparation before the project start date.
- During the building process, stay in contact with the builder on project decisions and payment process. Go to the site and check out the progress frequently.
- Discuss landscaping options...find a professional, do the job yourself or wait a year to save for the job.
- Go over Pre-closing checklist with your builder.
- Close your construction loan and finalize your mortgage.
- Move in and decorate!

If you have questions, please contact one of our Mortgage Loan Officers.