

A real money-saver

If you're thinking about building your own home, the HUD 184 loan program makes it easy by allowing for single-close construction loans. Here's how it works:

Conventional construction loans involve two separate loans. The first is a short-term loan (usually six to eight months) that finances the design and construction of the home. Once construction is complete, the borrower takes out a permanent long term mortgage to pay off the construction loan. Each loan is a distinct transaction involving separate applications, separate approval processes, separate loan documents and separate closing costs.

With the HUD 184 single close construction loan, you only take out one loan for the construction and the mortgage. It is all done in one transaction. This saves time and money because you only have to apply once and you avoid the closing costs on the second loan.

In addition, the down payment can be significantly less than dual construction loans. HUD requires a low down payment, compared to 20% for most conventional construction loans.

If you want to build your own home and you qualify for the HUD 184 Single Close Construction Loan, this loan will save you time and money.



What is a HUD 184 Single Close Construction Loan?



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Twice the Bank[®]

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Get prequalified

In addition to the cost savings, the best part about a single-close construction loan is its simplicity. You only fill out one application. You only go through one approval process and one closing. You can even fill out the application online.

To prequalify for your single close construction loan, access www.bank2online.com



Get prequalified for your loan before signing any agreements with contractors or builders. That way, you know in advance how much home you can afford to build, which makes it easier when designing the home and estimating construction costs. It also gives the builder or architect more incentive to complete the design and budget in a timely manner since they know you are already pre qualified for the loan.

Bank2 has an online application that only takes a few minutes to complete and in most cases we can prequalify you for a loan within 48 hours.

If you have any questions about the process, please contact a Bank2 representative at **(405) 949-7000** or toll free at **(877) 409-2265**.

Construction details

Once the builder is qualified and you have determined the design and cost, a package is submitted as part of the final approval process.

The HUD 184 single-close construction loan allows up to six months to complete the construction process.

During the allotted construction time, the builder may take up to six draws against the construction line. Each draw request then requires an inspection by the lender to verify that construction has been completed.

Why Choose a Single Close Construction Loan?

- Saves you money
- Simpler process
- One Closing

Loan details

With the HUD 184 Single Close Construction Loan you can use the funds for the construction of a new home, the purchase of a new manufactured or modular home, the renovation of your existing home, or even the purchase of a new home that is in need of rehabilitation.

HUD 184 also allows you to build on land you already own or to acquire land as part of the construction loan. In some locations, you can build on tribal lands. If you already own the land, you may be able to use its value for the down payment on the loan. Either way, HUD requires a low down payment based on the amount of your loan.

This loan program allows you to choose your own builder; but the builder must meet the HUD qualifications.