

HOME BUILDER CONSTRUCTION LOAN REQUIREMENTS

PROJECT REQUIREMENTS:

- Building plans including floor plans and elevations, artist renderings.
- Construction Budget, including land/building acquisition and all hard and soft costs, as follows:
 - Physical construction costs
 - Fees and permits (sewer, water hook up, lot levies, building permits, etc.)
 - Architect, legal and appraisal fees
 - Interest and brokerage fees
 - Sales and leasing commissions
 - Contingency & GST
 - Site supervision and overhead
- Construction contract and terms.
- Flow chart for timeline and cash flow statement during construction.
- Offers to purchase, leases, offer to lease confirming terms and deposits.
- Proforma income and expense statement detailing anticipated project activity and lease up.
- Phase I Environmental report.
- Project feasibility studies and absorption analysis if available.
- Recent appraisal if available and site purchase agreements of sale.
- Appraisal on a "completed" basis.

BORROWER INFORMATION:

- JayCap application form.
- JayCap personal financial statement listing **all** assets and liabilities
- Last 3 years business financial statements of borrower.
- Credit report if available.
- Borrower history detailing experience.
- Confirmation of Borrower's equity.

TERMS:**First Mortgage:**

- One year term
- Interest rate – to be determined dependent upon project
- Commitment fee – 2 to 3 %

Ratios:

- Raw land – finance up to 50% of “as is” appraised value
- Construction draw loan – finance up to 70% of completed value or up to 85% of the cost of the project – funds advanced on a cost-to-complete basis – borrower’s equity must be injected first.

Advances:

- To be disbursed based upon cost consultant review of completed project to date, paid costs to date and costs to complete.

Additional information may be required on specific projects. For questions, or to discuss individual submissions, we encourage you to inquire directly with:

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