

One-Time Close Process Flow:

1. **Builder/Retailer Approval** - While your Borrower is shopping for a lot or owns the lot and has a Builder or Retailer they want to use for the construction of the home:
 - Check the Builder/Retailer list on AFR Loan Center to see if they have been registered and their status.
 - If not registered, the Retailer / Builder to complete **Retailer/Builder Registration Packet** and submit via upload into AFR's [Loan Center](#).
 - Select the correct Builder / Retailer Registration Packet from **Forms/Resources** by scrolling down on this page.
 - **Select a Builder/Retailer**
 - They will be available from the selection when fully registered.
2. **Register the loan in AFR Loan Center**
3. **Complete the Calculation Questionnaire:**
 - Key items required:
 - Net Price to Builder
 - If MH, cost of improvement
 - Build time (months)
 - Number of Draw
 - Contingency (default 5% for site built/modular)
 - Contributions
 - Down payment
 - Land/Lot information (Purchasing or Own)
 - Estimated closing cost
 - Select the Program and rate (Float)
4. **OTC Calculation results are returned VIA AFR Loan Center within 24-48 hours:**
 - Deal Calculations are Returned to you from AFR Loan Center
 - Details of Transaction (How to set up the 1003)
 - Contract Information (How to set up the Purchase Contract)
5. **If Brokered:**
 - Request Origination Disclosures in AFR Loan Center
6. **Submit File to AFR** – (**Prior to submission to AFR you must complete steps 1-5**)
 - Calculation Results must be included with submission
 - Submit for Registration through AFR Loan Center
 - Include executed purchase contract that matched Deal Calculations
7. **Broker Orders Appraisal:**
 - When you have a purchase contract that matches results ([click here for Appraisal ordering](#))
8. **AFR Approval:**
 - Provide conditions for review
9. **OTC Project Packet to be completed by Builder/Retailer:**
 - Our OTC department will work with the Builder / Retailer to obtain
 - OTC Project Packets are located in the Form/Resources
10. **All Credit and Construction conditions will be clear by AFR's Credit Underwriter and OTC Department**
11. **Close:**
 - Clients request a closing date a minimum of 72 hours from Clear to Close date
 - AFR Closer to confirm fees with the Closing Agent and issue the final CD
 - NOTE- Loan must be locked through closing
12. **Closing Package**
 - **Third Party Originated Transactions:** please follow closing instructions
 - **Correspondent Transactions:** please follow instructions on the Correspondent Funding Procedures Worksheet. Page 1 references instructions on MERS and uploading the closing package. Page 3 references Collateral Approval Instructions. Click here for: [Correspondent Funding Procedures Worksheet](#)
 - **Correspondent Transactions:** Once all Prior to Purchase conditions are satisfied and Collateral is clear, the AFR Correspondent Production Specialist will notify the Correspondent lender that the file is being sent for purchase. The loan will be purchased, and a Purchase Advice will be issued within 48 business hours
13. **Construction Period/Completion**
 - The Administrator and AFR's OTC Department works with Builder/Retailer by managing draw requests, ongoing inspections and construction disbursements as needed

14. Home Completed

- The Administrator orders and receives satisfactory final inspection. AFR obtains all items pertaining to home's completion and, if satisfactory, final disbursement is released, then loan converts to permanent financing and mortgage payments begin.

One-Time Close (OTC) Construction Program Offerings

Program	Financing Eligibility	Eligible Terms	Eligible Property Types	Builder Draw Options During Construction	Borrower Paid Construction Interest
FHA	<ul style="list-style-type: none"> • Max LTV 96.5% • Min FICO Score 620 	15 – and 30 – year fully amortized fixed	<ul style="list-style-type: none"> • Modular • Multiwide MH 	Draw and No Draw	Optional
USDA	<ul style="list-style-type: none"> • Max LTV 100% • Min FICO Score 640 	30- year fully amortized fixed	<ul style="list-style-type: none"> • Site-Built • Modular • Multiwide MH 	Draw and No Draw Note: Site-Built, not availed for No Draw Options	No
VA	<ul style="list-style-type: none"> • Max LTV 100% not including VA Funding Fee • Min FICO Score 620 	15 – 30 – year fully amortized fixed	<ul style="list-style-type: none"> • Site-Built • Modular • Multiwide MH 	Draw and No Draw Note: Site-Built, not availed for No Draw Options	No
Conventional	FNMA <ul style="list-style-type: none"> • Max LTV 95% • Min FICO Score 700 	15, 20, or 30- year fully amortized fixed	<ul style="list-style-type: none"> • Modular • Multiwide MH • MH Advantage • CHOICEHome 	Draw and No Draw	Required
	FHLMC <ul style="list-style-type: none"> • Max LTV 90% • Max LTV 97% for CHOICEHome • Min FICO Score 720 				

Lot Equity and Use Toward Contribution for Government and Conventional

Property Type	Equity Contribution	Lot Ownership/Seasoning for LTV
<ul style="list-style-type: none"> • MH • Modular • Site Built – Temporarily Suspended 	FHA – Yes	Land value if owned < 6 months at case assignment = the lesser of the cost of the land, or appraised site value of the land Land value if owned > 6 months at case assignment = Appraised site value of the land Land received as an acceptable gift = Appraised site value of the land
<ul style="list-style-type: none"> • MH • Modular • Site Built 	VA – Yes	Land value if owned < 12 months at closing date = Lesser of the cost of the land, or appraised site value of the land Land value if owned > 12 months at closing date
<ul style="list-style-type: none"> • MH • Modular • Site Built 	USDA - Yes	The fair market value of the proposed (to-be-constructed) subject property will be utilized to establish the maximum loan amount Land value is based on the value as reported in the appraisal report, with no seasoning requirement.
<ul style="list-style-type: none"> • MH • Modular • Site Built – Temporarily Suspended 	Conventional - No	Transaction Type: Purchase Borrower is not the owner of record of the lot at closing: <ul style="list-style-type: none"> • Site built and Modular – Lesser of purchase price (purchase price of the land and total construction costs), or Appraised value, as completed. • MH – Lesser of the sales price of the MH, plus construction cost and sales price of the lot, or, Appraised value of the mortgaged premises, as completed. Transaction Type: Limited Cash-out (DU)/No Cash-out (LPA) Refinance Borrower is the owner of record of the lot at closing: <ul style="list-style-type: none"> • Appraised value of the mortgaged premises, as completed.