

M&T Bank – Residential Construction Financing

March 2018

M&T Bank

M&T Bank

Land Loan

- Finance up to 75% of the purchase price
- Min FICO 700; max DTI 43%
- Max acreage is 5 acres however we can get exceptions
- Need to see the lot is buildable – survey, letter from municipality, etc.
- 3-yr Balloon – designed for customers looking to build within the next 3 years
 - Can amortize the payments from 5-30 years

4

M&T Bank

M&T Bank Offers 1-Close and 2-Close Options

1-Close Construction to Permanent Mortgage

- 90% LTV Financing, 700 FICO
- Loan amounts up to \$1,500,000
- Appraised Value financing available for borrowers that own the lot
- 6, 9, 12 month construction terms – Interest-only payments during construction; loan automatically rollovers at the end of the construction term
- Permanent mortgage rate capped with a free float down at the end of the construction term plus 0.125%.
- End mortgage programs available – 15, 30 year fixed; 5/1, 7/1 ARM
- Available for new construction and renovation

2

M&T Bank

M&T Bank – Contractor Registration

Every builder (general contractor) needs to be registered with M&T Bank. The registration package includes:

- Questionnaire
- Contractor Performance Agreement
- Copy of License (if applicable)
- Copy of General Liability Insurance and Worker's Compensation (if applicable)

Once the contractor is registered, the registration is good for multiple projects.

3

M&T Bank

M&T Bank

2-Close Construction to Permanent Mortgage

- Up to 95% LTV on the end loan, loan amounts up to \$1,500,000, 700 FICO
- Appraised Value financing available for borrowers that own the lot
- 12 month construction term; interest only during construction
- End loan rate can be locked in or can float during construction; rate cap option available with 2-close option
- End mortgage programs: 15, 30 Fixed (Monthly & BiWeekly options); ARMs
- Available for new construction and renovation

3

M&T Bank

M&T Bank - Log Package Payment

M&T Bank will pay for the package in two parts:

- 20% deposit to the manufacturer after the loan closes
- 80% at the time of delivery

The payments for the package and be made as a check or wire. Wires need to be authorized by the borrower.

4

M&T Bank

M&T Bank – Draw Disbursements

- Work is paid upon complete (except the log package delivery)
- Borrower or Builder can request the disbursement.
- The following is required prior to disbursement of funds:
 - Inspection showing the work is complete
 - Title update to show the property is free and clear
- Funds can be sent to the borrower in the form of a co-payable check OR funds can be sent by wire directly to the builder with the borrower's authorization.

7

M&T Bank

M&T Bank – Pre-Qualification

Borrowers are able to contact M&T Bank for a pre-qualification. This tells the buyer how much they can afford for a total construction budget. There are 3 ways to contact us for a pre-qualification:

- By phone – 888-539-1160
- Submit a request through our website – www.mtb.com
- Submit a pre-qualification form by fax - 844-579-9788

8

M&T Bank

M&T Bank – Contact Information

Kristina Albright – Systembuilt Sales Manager

717-399-7096 – direct

kalbright@mtb.com - email

Nick Carsia – Systembuilt Account Executive

570-821-7147 – direct

dcarsia1@mtb.com – email

Systembuilt Telesales

888-539-1160 – direct

www.mtb.com

9

M&T Bank