



**NATIONAL CAPITAL
FUNDING, LLC.**

Residential Loan Application

In the Lender's assistance, Applicants should complete this form as to the appropriate box checked) when the income or assets of a person for loan qualification, but his or her liabilities must be considered by the Borrower resides in a community property state, the security property in a community property state as a basis for repayment of the loan.

Borrower each agree that we intend to apply for joint credit (sign below)

MORTGAGE AND TERMS OF LOAN
Agency Case Number

Interest Rate
Term
TYPE OF LOAN

Property
 Primary
(b) Co

NCF's How to Submit a OTC Const/Perm Loan

Step-by-Step Guide for Loan Officers and Processors

Purchase Refinance Construction

Original Cost \$

Amount Existing Liens \$

Purpose of Refinance

Original Cost \$

Amount Existing Liens \$

Will be held in what Name(s)

III. BORROWER INFORMATION

Borrower's Name (include title) _____

DOB (mm/dd/yyyy) _____ Yrs. School _____ Social S _____

Security Number _____ Home Phone (_____) _____

Dependents (not listed by Co-Borrower) _____

ages _____

single, _____ no _____

Rent _____ No. Yrs. _____

General Description of Program

Since 2002, National Capital Funding, LLC. (NCF) has been a trusted partner of residential mortgage lenders, loan originators, and builders dedicated to providing construction loan administration services for One-Time Close FHA, VA, and USDA Construction/Permanent Loan Programs. Our team of experienced professionals understand the importance of providing our partners with reliable, cost-effective solutions, and we are committed to providing them with the highest level of service possible.

NCF's construction administration solutions allow Lenders to offer their Originators and Brokers these unique loan products without the need or expense of maintaining their own construction loan dept. or construction warehouse lines. While the Lender underwrites and approves the permanent portion of the loan before the construction begins, NCF underwrites and approves the construction portion of the loan including vetting of the Builder/Retailer. When all conditions for closing are cleared with the Lender, other than the final construction related conditions, NCF will work with the Lender to coordinate the closing prior to the start of construction. The loan closes in the Lender's name with documents for both the construction and permanent portions of the loan. On FHA, VA, and USDA Const/Perm Loans there is no need to re-qualify the borrower when it is time for conversion of the construction portion of the loan to the permanent portion of the loan. These true one-time close loans do not require the borrower to return to the closing Agent once construction is completed.

For more details about the program, see the General Overview of NCF's One-Time Close Program available on our website at ncfunding.net/forms.

Step #1: Submit the One-Time Close Calculation Request Form to NCF

Please Note: It is essential to submit your request to NCF before proceeding with the loan submission to the Lender for credit underwriting. The lender's underwriter will not review the file without the NCF Calculation Results. This step is vital for maintaining alignment among all parties regarding the transaction's structure, facilitating a smoother flow and process for all involved.

Either version of the NCF OTC Calculation Request Form, available at ncfunding.net/forms, can be used. When using the PDF version, please submit it directly to request@ncfunding.net. Please ensure to include, along with your submission, a detailed breakdown of fees (such as an Itemized Fees Worksheet, Closing Cost Worksheet, or equivalent) associated with your side of the transaction. This breakdown should encompass fees like processing, appraisal, origination, discount, flood certificate, credit report, survey, etc. Closing Agent fees are not required to be submitted by you.

Upon receiving the request, NCF will enter it into our system. If the Closing Agent is new to us, we will reach out to them to explain our unique one-time close loan and draw process and determine their estimated fees through this discussion. After this, we will send the NCF Calculation Results via email to the e-mail address specified on the request form.

We do the MATH for you!

The NCF Calculation Results provided to you will assist in formulating the structure of the construction contract and determining the loan amount based on associated costs and anticipated net proceeds for the Builder/Retailer in the transaction. The results will include the following forms:

- a. **One-Time Close Const/Perm Loan Information:** This summary provides a comprehensive overview of the transaction details, including the breakdown of the construction contract price, acquisition cost, necessary loan amount, borrower's cash contribution, and other pertinent elements in the transaction.
- b. **Individual Deal Worksheet:** This worksheet provides a detailed breakdown of each fee and cost considered in arriving at the results. Its primary purpose is to assist you in accurately completing your Fees Worksheet and the permanent period Loan Estimate.
- c. **Construction Cost Breakdown:** This form serves as the Builder's/Retailer's budget for NCF. It comes pre-filled with contract information and is ready for full completion and signature by the Builder/Retailer.
- d. **Purchase Agreement/Construction Contract Worksheet:** This worksheet is pre-filled with the breakdown of the contract price, displaying the estimated net proceeds for the home and improvements to the Builder/Retailer. It is ready for signature by the Builder/Retailer.

The standard turnaround time for Calculation Requests is the same day if received before 2:00 PM CST. However, please anticipate longer turnaround times for deals involving Closing Agents with whom we have not worked together with before, as we need to initiate contact, explain our process, and determine their fees, as outlined previously.

FAQ: How can I request changes to the NCF Calculation Results that have already been sent to me?

If there are any changes to the fees or costs used in the process, kindly inform NCF promptly by emailing request@ncfunding.net. Specify the modified costs so that we can update the calculation results accordingly. Even minor changes can impact the entire calculation, so it is crucial to request modifications before advancing too far in the deal. **There is no need to submit a new Calculation Request Form**; simply outline the required changes in an email, and we will swiftly update and resend the results to you.

Step #2: Disclose and Submit the Credit Underwriting Loan Package to the Lender

Disclose and submit the loan for credit underwriting based on the NCF Calculation Results. If you require assistance completing your Loan Estimates and 1003, NCF is ready to offer guidance and support, ensuring the accurate completion before your submission of the file to the Lender's Underwriter.

Please adhere to the instructions provided by the Lender on the submission process for a credit file. Many Lenders have designated product codes for specific programs; it is crucial to use the correct product code as specified by the Lender to avoid any potential delays in the underwriting process.

Step #3: Submit the Construction Underwriting Loan Package to NCF

Once you are confident that the loan will receive approval from the Lender's Underwriter, proceed to compile the construction underwriting submission package for submission to NCF. Please note that while there are similarities, this submission package is different from the one submitted to the Lender for credit underwriting in Step #2.

Before submitting the construction package for our review, we require that the following three tasks be completed first:

- Obtain Credit Approval from the Lender with conditions that you are confident can be overcome.
- Receive the final appraisal report and ensure that the NCF Calculation Results are either updated or confirmed to be the final structure of the loan transaction.
- Ensure that there are only five items or fewer missing from our Construction Underwriting Submission Checklist that you are responsible for submitting them to us. Please note that submitting an incomplete package does not save time or expedite the process.

The NCF OTC Forms Packets, along with the submission checklist, are accessible at ncfunding.net/forms. It's important to note that there are separate versions for Manufactured/Modular Homes and Site-Built Homes. Once the construction submission file is processed, please send it to our office

- via email at underwriting@ncfunding.net,
- or upload it securely through the portal at ncfunding.net/underwritingupload

The full-color appraisal must be e-mailed to appraisal@ncfunding.net or uploaded as a separate PDF via secure portal above.

Following our thorough review, the NCF Construction Underwriting Analysis detailing any outstanding conditions will be generated and sent to you via email. The standard construction underwriting review period is typically 2 to 3 business days.

All construction underwriting conditions after the loan has been construction underwritten are to be sent via e-mail or uploaded securely using the same addresses shown above. The standard condition review period is 1 business day.

Step #4: Lender issues Clear to Close

All non-construction-related conditions must be resolved and approved by the Lender before NCF can issue our Construction UW "Clear to Close." It is your responsibility to address and clear these conditions directly with the Lender.

Following the issuance of the Clear to Close by the Lender, you will typically be required to transfer the file from the Lender's Underwriting Department to their Closing Department, adhering to the Lender's specific requirements.

Upon receipt of the file by the Lender's Closing Department, they will generally compile and send to NCF's Closing Dept. the Doc Prep Worksheets and other necessary items that the Lender's Closer is responsible for providing to us.

Step #5: NCF Coordinates Closing Doc Preparation and Loan Closes

Upon receiving all the necessary items from you and the Lender's Closing Department, NCF will initiate the order for the preparation of the Closing Documents. **Typically, a minimum of 3 business days will be needed from this stage until the closing (signing) can occur.**

It's important to note that various parties are involved in the process from this point onward. However, NCF does not have control over these external parties, making it impossible to guarantee the timeframe or make exceptions. The outlined time requirement accommodates the preparation, review, and timely dispatch of closing documents to the Closing Agent at least 24 hours in advance of the closing, as is commonly required. Additionally, it allows for the preparation of the final permanent period Closing Disclosure by the Lender's Closer and the initiation of wire for the closing once the CD is complete and amount can be determined.

Step #6: Post-Closing: NCF Becomes Builder's/Retailer's Primary Point of Contact

Upon the completion of the loan closing and funding process, NCF assumes the role of the Builder's/Retailer's primary point of contact for that file going forward. Subsequently, our Draw Department will send a Letter of Commencement to the Builder/Retailer via email, officially indicating the closing and funding of the loan and granting authorization to begin construction. Shortly thereafter, our Draw Department will provide the Builder/Retailer with a comprehensive list of specific items and forms necessary for the approval and release of the final draw. This enables the Builder/Retailer to gather the required documents throughout the construction process in anticipation of the final draw. For communication with the NCF Draw Department, the Builder/Retailer should be directed to email us at draws@ncfunding.net or reach out by phone at 281.537.0073.

Step #7: Construction Complete: Construction to Permanent Phase Rollover

Upon completion of construction and gathering of all construction related funding requirements from the Builder/Retailer, NCF will conduct a comprehensive review and subsequently submit the documentation to the Lender for their final approval. Simultaneously, NCF will issue a funding advice to the Lender, requesting the conversion of the loan to the permanent phase and transfer of funds to the Closing Agent. Following this, NCF will provide the Closing Agent with the final disbursement instructions for the disbursement of the final draw to the Builder/Retailer. There is not a second closing or modification close.

If you have any questions, please do not hesitate to contact us. We are here to assist you!
281.537.0073 | www.ncfunding.net