



# Construction Loan Process Details for Home Builders



**MERRIMACK**  
COUNTY SAVINGS BANK

## Welcome to the Team

Your client has chosen the Merrimack for the funding of the construction of their new home. We are looking forward to partnering with you through the process. Merrimack style means that we take teamwork very seriously and strive to cultivate a culture of trust through effective collaboration, based on understanding and open communication so that we can produce high performing partnerships.

Our goal with this document is to help answer common questions, gather the information that we need and ensure that working with us is as easy and straightforward as reasonably possible. Of course, if you have any questions, please reach out to your clients' mortgage specialist at any time during the process.

As a long time local lender, we understand the value of being a partner of choice for our local builders, and we hope that you enjoy the benefits of working with us, such as:

- Our lenders and our leadership are locally based, so decisions are made by people who work, live and understand the community you are building in.
- Because we have our own construction inspectors at The Merrimack, we are able to quickly respond to changes, questions and requests for payment. Our average disbursement timeline is three to five business days from the day it is requested.
- As a local mutual bank without stockholders, our decisions are made to benefit the businesses and people who live and work on our local Main Streets, not Wall Street. This allows us flexibility that you likely won't see at banks that are publically owned and traded.

## Inspections & Appraisals

At the Merrimack, our on-staff construction loan team provides regular inspections to ensure that the project funds are being used appropriately – protecting the borrower, the builder and the Bank. Managing inspections in-house allows us to visit your site promptly when you make a request, and for funds to be disbursed to you faster than lenders who contract for these services.

The first eight inspections are covered by the Construction Loan Fee. Each additional inspection will be assessed a fee.

The Merrimack will be monitoring the overall project and disbursement to protect the interests of the borrower, the contractor and the Bank. This dedication to projects and on-staff expertise helps to ensure that details of your project make sense and are up to current industry standards. The Merrimack does not assume any responsibility for workmanship, material, costs, adherence to plans and specifications, code violations or payment of bills incurred by the builder or their subcontractors. So, please be sure to clearly communicate with your client, and the Bank, to ensure a smooth and positive process for all parties.

A third party Residential Appraiser will review the initial plans and complete a final inspection upon completion of the project. The final appraisal helps ensure that your project was built according to your original plans. The final disbursement will be made upon completion of the appraisal, final inspection, and receipt of the certificate of occupancy, if one is issued by the town or city.

## Required Documentation

At the end of this document, there are a number of forms that we will need you to complete and return to us as soon as possible. For your ease of use, these forms are all available in fillable electronic format. Simply reach out to your client's mortgage specialist so that they can email them to you, or visit our website and search for "Construction Loan Process Details for Home Builders".

ALL **General Contractors** must complete and return the following forms to your client's mortgage specialist as soon as possible:

1. *Residential Materials Specifications (Exhibit A)* or your standard specifications sheet. Please note that The Merrimack reserves the right to request that this form be completed if the alternate specification sheet you submitted does not meet the needs of the Bank or the project appraisal experts.
2. *Contractor Construction Budget (Exhibit C)*
  - For any cost line listed as \$0, please be sure to note the reason in the "Explanation" Line
  - The contingency rates are different for General Contractors (5%) and Self-General Contractors (10%). Only one is applicable for your project, not both
3. A copy of the Construction Contract signed by the Contractor and Borrower(s)
4. Building Plans
5. Subdivision plans, if applicable

In addition the following items will be needed in order to close the loan.

1. Proof of liability and Workmen's Compensation Insurance
2. A current *W9 Form*. You can either click the link on the electronic version of this document or go to <https://www.irs.gov/pub/irs-pdf/fw9.pdf>. If you have worked with us in the last three years and you have no changes in your company name, address or taxpayer identification number, you do not need to submit another W9 form to us.
3. *Pre-Closing Lien Waiver (Exhibit H)*
  - This document is required only if payments have been made for work performed 120 days or less prior to closing the loan with the Merrimack
4. A copy of the building permit from the applicable town or city
5. Septic plans
6. State septic system approval for construction
7. Driveway permits, where applicable, from your town or city and/or state
8. Any other applicable permits, such as those pertaining to wetlands, dredge and fill.

In addition, please let us know if there have been any changes to your list of suppliers or subcontractors since our last project with you.

If you are a **NEW General Contractor, meaning** it has been more than two years since the date of the last approval from the Merrimack or our sister banks Meredith Village Savings Bank or Savings Bank of Walpole. Please complete all of the forms listed above plus the following forms and return them to your client's mortgage specialist as soon as possible:

9. *New Builder / Self-General Contractor Sub-contractor & Supplier List (Exhibit B)*

10. *General Contractor / Self General Contractor Qualification Form (Exhibit D)*

If you are a **SELF-General Contractor**, meaning you are acting as your own General Contractor for the home building project please complete and return the forms listed above in the General Contractor and new builder section, as well as:

11. *Self-General Contractor Subcontractor Insurance Notice (Exhibit J)*

12. *Quotes from each subcontractor for services that will be provided*

# RESIDENTIAL MATERIALS SPECIFICATIONS

## EXHIBIT A

**When to complete this:** This form, or your own specifications sheet, must be completed and submitted to the Bank. Please note that the Merrimack reserves the right to request that this form be completed if the alternate specifications sheet you submitted does not meet the needs of the Bank or the project appraisal experts.

Property Address

City, State, Zip Code

Owner/Borrower Name

Contractor Name

Mailing Address

Mailing Address

Type of Home: Custom Modular Package Manufactured

Building Plans: Title: \_\_\_\_\_ # of Pages: \_\_\_\_\_ Dated: \_\_\_\_\_

Style of Home: \_\_\_\_\_ Sq. Feet of Living Space: \_\_\_\_\_ Foundation Size: \_\_\_\_\_

Sewage Disposal: Municipal Sewer Water Source: Municipal  
Community Sewer Community  
On-Site Septic System On-Site Drilled Well  
On-Site Dug Well  
Allowance \$\_\_\_\_\_

### SITEWORK:

Driveway: Length \_\_\_\_\_ Width \_\_\_\_\_ Surface Material: \_\_\_\_\_ Thickness: \_\_\_\_\_

Landscaping: \_\_\_\_\_

Walkway Material: \_\_\_\_\_

Other Improvements: \_\_\_\_\_

### FOUNDATIONS:

Footings: Type \_\_\_\_\_ Strength \_\_\_\_\_ psi Thickness \_\_\_\_\_ Reinforcing \_\_\_\_\_

Walls: Type \_\_\_\_\_ Strength \_\_\_\_\_ psi Thickness \_\_\_\_\_ Reinforcing \_\_\_\_\_

Concrete Slab: Thickness \_\_\_\_\_ Strength \_\_\_\_\_ psi Thickness \_\_\_\_\_ Subbase material \_\_\_\_\_

Footing Drains: \_\_\_\_\_ Waterproofing: \_\_\_\_\_

Radon protection:  Yes  No Sump Pump:  Yes  No Crawl Space:  Yes  No

**CHIMNEYS:**

Material: \_\_\_\_\_ Flue Lining: \_\_\_\_\_ Prefabricated (make & size) \_\_\_\_\_

Material: \_\_\_\_\_ Flue Lining: \_\_\_\_\_ Prefabricated (make & size) \_\_\_\_\_

**FIREPLACES:**

Facing: \_\_\_\_\_ Lining: \_\_\_\_\_ Hearth: \_\_\_\_\_ Mantel: \_\_\_\_\_

Facing: \_\_\_\_\_ Lining: \_\_\_\_\_ Hearth: \_\_\_\_\_ Mantel: \_\_\_\_\_

**EXTERIOR FRAMING:**

Walls: Stud Type \_\_\_\_\_ Size \_\_\_\_\_ Spacing \_\_\_\_\_ Wind bracing \_\_\_\_\_

Sheathing: \_\_\_\_\_ Grade \_\_\_\_\_ Thickness \_\_\_\_\_ Building paper \_\_\_\_\_

Siding: \_\_\_\_\_ Grade \_\_\_\_\_ Size \_\_\_\_\_ Exposure \_\_\_\_\_

**FLOOR FRAMING:**

Floor Joists: \_\_\_\_\_ Size \_\_\_\_\_ Spacing \_\_\_\_\_ Bridging \_\_\_\_\_

Subfloor Material: \_\_\_\_\_ Grade \_\_\_\_\_ Thickness \_\_\_\_\_ Fastening \_\_\_\_\_

**PARTITION FRAMING:**

Stud Type: \_\_\_\_\_ Size \_\_\_\_\_ Spacing \_\_\_\_\_ Sheathing: \_\_\_\_\_

Thickness \_\_\_\_\_ Bathroom walls \_\_\_\_\_ Other \_\_\_\_\_

**ROOF:**

Rafters \_\_\_\_\_ Grade \_\_\_\_\_ Size \_\_\_\_\_ Spacing \_\_\_\_\_

Sheathing: \_\_\_\_\_ Grade \_\_\_\_\_ Thickness \_\_\_\_\_ Underlayment \_\_\_\_\_

Shingles: \_\_\_\_\_ Drip edge \_\_\_\_\_ Ventilation \_\_\_\_\_ Gutters \_\_\_\_\_

**INSULATION:**

Exterior Walls: Type \_\_\_\_\_ R-value \_\_\_\_\_ Roof/Ceilings: Type \_\_\_\_\_ R-value \_\_\_\_\_

Interior Walls: Type \_\_\_\_\_ R-value \_\_\_\_\_ Floor: Type \_\_\_\_\_ R-value \_\_\_\_\_

**EXTERIOR DOORS:**

Type \_\_\_\_\_ Material \_\_\_\_\_ Brand \_\_\_\_\_ Hardware \_\_\_\_\_

Type \_\_\_\_\_ Material \_\_\_\_\_ Brand \_\_\_\_\_ Hardware \_\_\_\_\_

**INTERIOR DOORS:**

Type \_\_\_\_\_ Material \_\_\_\_\_ Brand \_\_\_\_\_ Hardware \_\_\_\_\_

Type \_\_\_\_\_ Material \_\_\_\_\_ Brand \_\_\_\_\_ Hardware \_\_\_\_\_

**WINDOWS:**

Type \_\_\_\_\_ Material \_\_\_\_\_ Brand \_\_\_\_\_ Hardware \_\_\_\_\_

Type \_\_\_\_\_ Material \_\_\_\_\_ Brand \_\_\_\_\_ Hardware \_\_\_\_\_

**CABINETS & VANITIES:**

Kitchen Cabinets \_\_\_\_\_ Brand \_\_\_\_\_ Countertops \_\_\_\_\_

Bathroom Vanities \_\_\_\_\_ Brand \_\_\_\_\_ Countertops \_\_\_\_\_

Cabinet Allowance: \$ \_\_\_\_\_

**SURFACE FINISHES:**

Interior Walls: Material \_\_\_\_\_ Brand \_\_\_\_\_ Coats \_\_\_\_\_

Interior Trim: Material \_\_\_\_\_ Brand \_\_\_\_\_ Coats \_\_\_\_\_

Ceilings: Material \_\_\_\_\_ Brand \_\_\_\_\_ Coats \_\_\_\_\_

Stained Surfaces: Material \_\_\_\_\_ Brand \_\_\_\_\_ Coats \_\_\_\_\_

Exterior Siding: Material \_\_\_\_\_ Brand \_\_\_\_\_ Coats \_\_\_\_\_

Exterior Trim: Material \_\_\_\_\_ Brand \_\_\_\_\_ Coats \_\_\_\_\_

**FLOOR COVERINGS:**

Living Room: Material \_\_\_\_\_ Brand \_\_\_\_\_

Dining Room: Material \_\_\_\_\_ Brand \_\_\_\_\_

Kitchen: Material \_\_\_\_\_ Brand \_\_\_\_\_

Bathrooms: Material \_\_\_\_\_ Brand \_\_\_\_\_

Bedrooms: Material \_\_\_\_\_ Brand \_\_\_\_\_

Family Room: Material \_\_\_\_\_ Brand \_\_\_\_\_

Flooring Allowances: All Flooring: \$ \_\_\_\_\_

Carpet: \$ \_\_\_\_\_ Vinyl: \$ \_\_\_\_\_ Hardwood: \$ \_\_\_\_\_ Tile: \$ \_\_\_\_\_

**PLUMBING:**

Water Piping: \_\_\_\_\_ Sill Cocks: Number \_\_\_\_\_ Kitchen Sink \_\_\_\_\_ Bathroom Lavatories \_\_\_\_\_

Water Heater \_\_\_\_\_ Brand & Model \_\_\_\_\_ Storage Capacity \_\_\_\_\_ gallons

Toilets: \_\_\_\_\_ Quantity \_\_\_\_\_ Showers \_\_\_\_\_ Quantity \_\_\_\_\_

Bathtubs: \_\_\_\_\_ Quantity \_\_\_\_\_ Whirlpools \_\_\_\_\_ Quantity \_\_\_\_\_

**HVAC:**

Heating: Type \_\_\_\_\_ Brand \_\_\_\_\_ Fuel \_\_\_\_\_ Fuel Storage \_\_\_\_\_

Air Conditioning: Type \_\_\_\_\_ Brand \_\_\_\_\_ Model \_\_\_\_\_ Size \_\_\_\_\_

Kitchen Vent: \_\_\_\_\_ Brand \_\_\_\_\_ Bathroom Vents: \_\_\_\_\_ Brand \_\_\_\_\_

**ELECTRIC WIRING:**

AMP's \_\_\_\_\_ No Circuits \_\_\_\_\_ Wire: Type \_\_\_\_\_

Size \_\_\_\_\_ Special Outlets: \_\_\_\_\_

**LIGHTING FIXTURES:**

Total number of fixtures: \_\_\_\_\_ Total allowance for fixtures: \_\_\_\_\_ Special fixtures: \_\_\_\_\_

**APPLIANCES:**

Range \_\_\_\_\_ Refrigerator \_\_\_\_\_ Dishwasher \_\_\_\_\_ Microwave \_\_\_\_\_

Disposal \_\_\_\_\_ Washer \_\_\_\_\_ Dryer \_\_\_\_\_ Other \_\_\_\_\_

Appliance Allowance: \$ \_\_\_\_\_

**GARAGES:**

Attached \_\_\_\_\_ Unattached \_\_\_\_\_ Automobile Capacity \_\_\_\_\_

Garage Doors \_\_\_\_\_ Brand \_\_\_\_\_ Remote Electric Opener \_\_\_\_\_

**PORCH/DECK:**

Porch: Type \_\_\_\_\_ Size: \_\_\_\_\_

Deck: Type \_\_\_\_\_ Size: \_\_\_\_\_

**OTHER FEATURES:**

\_\_\_\_\_

\_\_\_\_\_  
**PREPARED BY** \_\_\_\_\_ **DATE** \_\_\_\_\_ **COMPANY** \_\_\_\_\_

\_\_\_\_\_  
**BORROWER** \_\_\_\_\_ **DATE** \_\_\_\_\_ **BORROWER** \_\_\_\_\_ **DATE** \_\_\_\_\_



# NEW BUILDER / SELF CONTRACTOR SUB-CONTRACTOR & SUPPLIER LIST

## EXHIBIT B

**When to complete this:** Only new builders to the Merrimack or Self GCs need to complete this form, though we ask all builders to alert us to any changes in subcontractors or their contact information if it has changed since your last project. Please see the "Required Documentation" section of the "Construction Loan Process Details for Home Builders" for definitions of new builders and Self GCs.

| TRADE                  | SUBCONTRACTOR/SUPPLIER | TELEPHONE NUMBER |
|------------------------|------------------------|------------------|
| Excavation             |                        |                  |
| Foundation             |                        |                  |
| Septic System          |                        |                  |
| Well                   |                        |                  |
| Frame                  |                        |                  |
| Roof                   |                        |                  |
| Insulation             |                        |                  |
| Plumbing               |                        |                  |
| Heating                |                        |                  |
| Masonry                |                        |                  |
| Siding                 |                        |                  |
| Drywall                |                        |                  |
| Paint                  |                        |                  |
| Millwork               |                        |                  |
| Finish Landscaping     |                        |                  |
| Lumber Supplier        |                        |                  |
| Flooring               |                        |                  |
| Windows and Doors      |                        |                  |
| Cabinets & Countertops |                        |                  |
|                        |                        |                  |
|                        |                        |                  |
|                        |                        |                  |
|                        |                        |                  |
|                        |                        |                  |
|                        |                        |                  |
|                        |                        |                  |
|                        |                        |                  |

# CONTRACTOR CONSTRUCTION BUDGET

## EXHIBIT C

**When to complete this:** This form must be thoroughly completed by all builders for each project.

Please note the following:

- For any cost line listed as \$0, please be sure to note the reason in the "Explanation" Line
- The contingency rates are different for General Contractors (5%) and Self-General Contractors (10%). Only one is applicable for your project, not both.

| BORROWER NAME: _____   |      | DATE: _____        |                         |             |
|--|------|--------------------|-------------------------|-------------|
| LOCATION: _____  |      | CONTRACTOR: _____  |                         |             |
|  |      | GENERAL CONTRACTOR | SELF-GENERAL CONTRACTOR |             |
| ITEM   | COST | PAID DEPOSITS      | BALANCE                 | EXPLANATION |
| 1. Excavation, Lot Clearing, Fill, Drainage                    |      |                    |                         |             |
| 2. Foundation, Damp Proofing                                   |      |                    |                         |             |
| 3. Septic System or Sewer Line                                 |      |                    |                         |             |
| 4. Well or Water Line  |      |                    |                         |             |
| 5. Frame House & Garage  |      |                    |                         |             |
| 6. Roofing   |      |                    |                         |             |
| 7. Windows & Exterior Doors                                    |      |                    |                         |             |
| 8. Garage Doors  |      |                    |                         |             |
| 9. Concrete Floors   |      |                    |                         |             |
| 10. Plumbing   |      |                    |                         |             |
| 11. Plumbing Fixtures  |      |                    |                         |             |
| 12. Electrical   |      |                    |                         |             |
| 13. Electrical Fixtures  |      |                    |                         |             |
| 14. Heating System   |      |                    |                         |             |
| 15. Chimney & Fireplace  |      |                    |                         |             |
| 16. Siding   |      |                    |                         |             |
| 17. Insulation   |      |                    |                         |             |
| 18. Drywall or Plaster   |      |                    |                         |             |
| 19. Exterior Paint or Stain                                    |      |                    |                         |             |
| 20. Interior Doors and Trim                                    |      |                    |                         |             |
| 21. Interior Paint/Wallcoverings                               |      |                    |                         |             |
| 22. Cabinets and Counter Tops                                  |      |                    |                         |             |
| 23. Flooring   |      |                    |                         |             |
| 24. Porches/Deck/Steps   |      |                    |                         |             |
| 25. Finish Grade & Landscaping                                 |      |                    |                         |             |
| 26. Driveway/Walkways  |      |                    |                         |             |
| 27. Appliances   |      |                    |                         |             |
| 28. Project Management / Permits                               |      |                    |                         |             |
| 29. Other (Attach detailed description)                        |      |                    |                         |             |
|  |      |                    |                         |             |
|  |      |                    |                         |             |
| <b>Subtotal</b>  |      |                    |                         |             |
| <b>Self GC Bank Reserves (10% contingency of TOTAL Cost)</b>   |      |                    |                         |             |
| <b>Contractor Bank Reserves (5% contingency of TOTAL Cost)</b> |      |                    |                         |             |
| <b>TOTALS for Self GC</b>                                      |      |                    |                         |             |
| <b>TOTALS for Contractor</b>                                   |      |                    |                         |             |

|          |      |            |      |
|----------|------|------------|------|
| BORROWER | DATE | CONTRACTOR | DATE |
| BORROWER | DATE |            |      |

# GENERAL CONTRACTOR / SELF GENERAL CONTRACTOR QUALIFICATION FORM

## EXHIBIT D

**When to complete this:** Only new builders to the Merrimack or Self-GCs need to complete this. Please see the "Required Documentation" section of the "Construction Loan Process Details for Home Builders" for definitions of new builders and Self GCs.

Borrower(s) Names: \_\_\_\_\_

Subject Property: \_\_\_\_\_

Business Name: \_\_\_\_\_ Federal ID #: \_\_\_\_\_

Builder's Name: \_\_\_\_\_ Social Security #: \_\_\_\_\_

Business Address: \_\_\_\_\_

Telephone Number(s): \_\_\_\_\_ Years in Business: \_\_\_\_\_ Email: \_\_\_\_\_

Website: \_\_\_\_\_

Number of Employees: \_\_\_\_\_ Homes built last year: \_\_\_\_\_ Expected to build this year: \_\_\_\_\_

Last Year's Gross Income: \$ \_\_\_\_\_ How is your Business structured? Incorporated LLC DBA

### **Provide 2 customer references below detailing projects you have completed similar to the proposed project**

Name: \_\_\_\_\_ Phone: \_\_\_\_\_

Address: \_\_\_\_\_ Project Completion Date: \_\_\_\_\_

Name: \_\_\_\_\_ Phone: \_\_\_\_\_

Address: \_\_\_\_\_ Project Completion Date: \_\_\_\_\_

### **Provide 3 Builder Supplier/Sub-Contractor references**

Name: \_\_\_\_\_ Phone: \_\_\_\_\_

Account Number: \_\_\_\_\_ Attn: \_\_\_\_\_ # of Years as a Client: \_\_\_\_\_

Name: \_\_\_\_\_ Phone: \_\_\_\_\_

Account Number: \_\_\_\_\_ Attn: \_\_\_\_\_ # of Years as a Client: \_\_\_\_\_

Name: \_\_\_\_\_ Phone: \_\_\_\_\_

Account Number: \_\_\_\_\_ Attn: \_\_\_\_\_ # of Years as a Client: \_\_\_\_\_

I authorize Bank personnel to obtain and review a written credit profile of my corporation and/or myself. This information can be shared amongst Merrimack County Savings Bank, Meredith Village Savings Bank and Savings Bank of Walpole.

\_\_\_\_\_  
Builder/Self-GC Name Date

# PRE-CLOSING LIEN WAIVER

## EXHIBIT H

**When to complete this:** This document is required only if payments have been made for work performed 120 days or less prior to the closing of the loan with the Merrimack. The paid deposit column on Exhibit C should also reflect this amount.

Loan Number: \_\_\_\_\_

Amount Paid: \$ \_\_\_\_\_

Borrower(s): \_\_\_\_\_

Worksite: \_\_\_\_\_

### CONTRACTOR/SUBCONTRACTOR LIEN WAIVER FOR FUNDS PAID PRIOR TO CLOSING

The undersigned certifies that all work and materials for the amount indicated above has been completed or consumed. The undersigned has been paid in full for all completed work and supplied materials.

**FOR VALUE RECEIVED**, the undersigned hereby waives any and all liens for labor and materials arising under New Hampshire Revised Statutes Annotated Chapter 447 as to the construction mortgage to Merrimack County Savings Bank referred to date.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ .

BY: \_\_\_\_\_  
Contractor/Subcontractor

# SELF-GENERAL CONTRACTOR SUBCONTRACTOR INSURANCE NOTICE

## EXHIBIT J

**When to complete this:** Only Self GCs need to complete this. Please see the "Required Documentation" section of the "Construction Loan Process Details for Home Builders" for definitions of Self GCs.

Borrower(s): \_\_\_\_\_

Project Location: \_\_\_\_\_

As the Self-General Contractor of the above named project, I understand that it is my responsibility to verify that all Subcontractors are properly insured with General Liability and Workers' Compensation Insurance, as applicable.

\_\_\_\_\_  
Borrower's Name Date

\_\_\_\_\_  
Co-Borrower's Name Date

## Payments

Funds will be available for disbursement 5 to 10 business days after the loan closes. If you bank with us, the funds can be deposited directly into your account.

To mitigate risk for our customers and the Bank and to help keep projects within budget, the Merrimack disburses funds to builders, contractors and subcontractors once work has been completed, and highly discourages the payment of deposits prior to construction. Because we employ fastidious construction experts at the Bank, we are able to quickly confirm completion and disburse payments quickly.

During the course of construction, disbursements can be requested for work completed provided the Merrimack has also completed an inspection. To request a disbursement, please:

- Ensure that the Identification of Construction Lending Notice has been posted on the property.
- Contact the Merrimack's Construction Loan Coordinator, Laura Doerfler, to request a property inspection at [ldoerfler@themerrimack.com](mailto:ldoerfler@themerrimack.com) or 603.223.2732.
- Detailed invoices outlining the work and materials and associated costs.

If all required documentation has been received, disbursement requests made by 1pm on Tuesday will have an inspection on Wednesday or Thursday and funds will be available by the end of business on Friday.

Please note that disbursements can be paid to order a kit - such as for a log, modular or manufactured home - and paid directly to the dealer. In addition, payments for supplies can be made directly to the supplier.

Any change orders and/or variances that could adversely affect the final value of the new home must be communicated to the bank and the borrower in writing prior to the changes being made. At the loan closing, any significant design or material changes will be reviewed for approval by all parties, including the Merrimack. Your client, the borrower, will be responsible for any change orders that are not in the budget and will need to supply the Merrimack with the funds required. The Merrimack will then disburse payment.

Please note that the Bank reserves the right to withhold disbursements and take any necessary action to protect our interests if at any point a situation develops that we feel could jeopardize our position.