

Miller Custom Homes Financing Options

There are generally two ways to handle the construction and permanent financing of a new home. Both are great ways of getting the job done. The trick is finding the best option for you.

❖ **MCH Financed Construction**

In this case, also known as a “Turn Key Sale,” you decide on the lot you want and the home you want to build on it. Miller Custom Homes buys the lot, or has one of their own lots, and builds the home according to an agreed upon contract, plans and specifications. You provide builder with a 10% deposit on the project. When the home is complete, you purchase it from Miller Custom Homes with money from a permanent mortgage financed at your bank.

❖ **Buyer Financed “One-Time Closing”**

Just like above, you pick a lot and contract with Miller Custom Homes to build your home. You provide builder with a 10% deposit on the construction portion of the project. You then arrange a construction loan through your bank that automatically converts to a permanent mortgage after the home is complete. You can do this because you actually close on your construction loan and your permanent mortgage at the same time. With only one closing, you save closing costs, you don't have to re-qualify for a mortgage and the interest you paid during the construction phase is generally 100% tax deductible. This choice is perfect if you already have the money you plan to put down on the purchase of your new home or know how much will be coming from the sale of your current home. Of course, at the time you convert your construction loan to your permanent mortgage, you may always convert for a smaller mortgage amount, you just cannot convert for an amount higher than originally planned.