

Construction Lending FAQs

Q. What is a construction loan?

A. A construction loan is a short-term loan to facilitate the building of a home.

Q. If I am building my home, do I need a construction loan?

A. Check with the builder you are working with to determine if you need a construction loan. Some builders will have you obtain the loan to build the home and others will build under their company name and have you purchase the home upon completion.

Q. Since this is a short-term loan – how does it get paid off?

A. As part of the construction loan approval process, you will need to be pre-approved for mortgage financing with Centris Federal Credit Union. Our construction and mortgage departments will work closely to coordinate this process.

Q. Is there a minimum down payment needed to qualify for financing?

A. The maximum construction loan is limited to 80% of purchase price or appraised value, whichever is less. A 20% down payment is required and paid up front.

Q. What type of payment will I have?

A. You will pay interest only on the construction loan. As progress is made on the home and your builder submits a request to us for disbursement of loan funds, you will only pay interest monthly on the amount of funds used.

Q. Do I have to contract with a builder or can I build the home myself?

A. Centris Federal Credit Union requires that you have a builder involved.

Q. Is there any limitation to the location I can build?

A. Centris Federal Credit Union is currently only offering this product in the Omaha metropolitan area.

Q. If I need to obtain a construction loan - what is my first step?

A. Please contact our construction lender, Deb Benak, and she will walk you through the process of applying for construction financing.



Federally insured by NCUA. Inquire at Centris for complete terms and conditions.



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