



## Renovation Program Comparison Quick Reference Guide

	FHA 203(k) Standard	FHA 203(k) Limited
<b>Transaction Type</b>	Purchase and Rate/Term Refinance	Purchase and Rate/Term Refinance
<b>Occupancy</b>	Primary Residence	Primary Residence
<b>Property Type</b> Condos have specific requirements; refer to applicable guidelines	Attached/detached SFR, PUD, Condo, 2-4 units	Attached/detached SFR, PUD, Condo 1-4 units
<b>Credit Score</b>	620	620
<b>LTV/CLTV - Purchase</b>	96.50%/110% 110% CLTV with eligible DPA	96.50%/110% 110% CLTV with eligible DPA
<b>LTV/CLTV – Refinance</b>	97.75%/110%	97.75%/110%
<b>High Balance</b>	Yes	Yes
	Credit score: 660 on 2-4 units	Credit score: 660 on 2-4 units
<b>Mortgage Insurance</b>	Yes	Yes
<b>Minimum Repair Amount</b>	\$5,000	None
<b>Maximum Repair Amount</b>	No maximum	\$35,000
<b>Allowed to be Included in Rehabilitation Costs</b>  Loan amount cannot exceed the county limits established by Fannie Mae or HUD as applicable	<ul style="list-style-type: none"> <li>• Total cost of rehab (labor, materials, and consultant fee; permits, appraisal, architectural/engineering fees as applicable)</li> <li>• Contingency reserve</li> <li>• Inspections</li> <li>• Up to 6 months PITI (if approved)</li> <li>• Discount points</li> </ul>	<ul style="list-style-type: none"> <li>• Total cost of rehab (labor and materials; permits, appraisal, architectural/engineering fees, consultant fees as applicable)**</li> <li>• Contingency reserve</li> <li>• Final Inspections</li> <li>• Discount points</li> </ul> <p>** Total rehab costs must allow for contingency reserve requirement as follows:</p> <ul style="list-style-type: none"> <li>• 10% contingency: Max rehab approx. \$31,250</li> <li>• 15% contingency: Max rehab approx.</li> </ul>
<b>Contingency Reserve Required</b>	Yes 10% if utilities on at time of appraisal 15% if utilities off	Yes 10% if utilities on at time of appraisal 15% if utilities off
<b>Eligible Product</b>	Fixed 30 year	Fixed 30 year
<b>Maximum Duration of Renovation</b>	6 months from closing	6 months from closing
<b>Self-Help (DIY) Eligible</b>	No	No
<b>Types of Repairs</b>	Structural and non-structural	Non-structural
<b>Luxury Items*</b>	No	No

\* Barbeque islands, pool, spa, sauna, outdoor fireplaces, satellite dish, tennis courts, etc.



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<b>Swimming Pool Construction</b>	No – Repairs allowed up to \$1,500	No – Repairs allowed up to \$1,500
<b>Tear Down/Rebuild</b>	Yes, if portion of existing structure remains	No
<b>Mold/Lead Paint Removal</b>	Yes	Yes
<b>Building Additions</b>	Yes	No
<b>Appliances</b>	Yes, if included in Work Write-up	Yes if included in contractor bids
<b>Foundation Work</b>	Yes	No
<b>Construction of Out Building</b>	Yes	No
<b>Borrower/Contractor Relationship</b>	Not allowed	Not allowed
<b>Consultant Required</b>	Yes	No
<b>Maximum Number of Contractors</b>	1 general; specialty allowed as needed for technical repairs	3
<b>Finance PITI Payments</b>	Yes with consultant approval	No
<b>Maximum Draws</b>	5	2
<b>Draw Holdback</b>	Yes 10% from each draw	Yes 10% from each draw
<b>Cash to Borrower Allowed</b>	No - Any remaining funds are applied as principal reduction	No - Any remaining funds are applied as principal reduction
<b>Fund Disbursement at Loan Closing</b>	None (exception may be allowed for material costs)	<ul style="list-style-type: none"> <li>• 50% disbursed by Seller at close</li> <li>• 50% after final inspection has been completed</li> </ul>