

Product Snapshot

FHA 203(k) Limited

The FHA 203(k) Limited Program allows the borrower to obtain a single mortgage loan to finance both the purchase and rehabilitation of the property, or to finance the rehabilitation of an existing home. The mortgage amount is based on the projected value of the property with the work completed, taking into account the cost of the work. The FHA Limited 203(k) may only be used for minor remodeling and non-structural repairs. The Limited 203(k) does not require the use of a 203(k) Consultant, however a Consultant may be used. The total rehabilitation cost must not exceed \$35,000.

For topics not addressed within this Product Snapshot, refer to applicable sections of the FHA Lending Guide and to HUD Handbook 4000.1.

Conforming & High Balance Purchase				
Property Type	Maximum DTI	LTV/CLTV ¹	Credit Score	Manual Underwriting Permitted
1-4 Unit Manufactured Home ⁶	Per AUS ²	96.5%	620	Yes ⁴
1-2 Unit \$100 Down Payment Program Only	43% ³	100%		Refer: No Approve/Ineligible: Yes ⁵
Footnotes				
¹ LTV is calculated on the base loan amount. LTV may be exceeded by the financed UFMIP ² Maximum 50% DTI for properties located in West Virginia regardless of AUS approval ³ No exceptions to DTI restriction at 43% and cannot use compensating factors ⁴ Manual Underwriting eligible as manual downgrade only and not as a result of a Refer recommendation by AUS ⁵ Automated Underwriting Findings will result in Approve/Ineligible findings when the loan amount exceeds the FHA maximum loan amount calculation. The underwriter will validate that the reason for the ineligible is only as a result of the HUD REO \$100 LTV and no other ineligibility reasons are allowed ⁶ Manufactured Homes are ineligible for high balance loan amount				

Conforming & High Balance Rate and Term Refinance				
Property Type	Maximum DTI	LTV/CLTV ¹	Credit Score	Manual Underwriting Permitted
1-4 Unit Manufactured Home ⁴	Per AUS ²	97.75%	620	Yes ³
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Program Parameters					
FHA 203(k) Limited Insurance Program	<ul style="list-style-type: none"> Allows borrowers to finance up to \$35,000 (hard and soft costs) into the mortgage to make eligible improvements No minimum rehabilitation amount May be used for remodeling and non-structural repairs An FHA cost consultant is not required 				
Occupancy	Primary residence only				
Acceptable Transaction Terms	<ul style="list-style-type: none"> FHA 15 Year Fixed 203K Limited FHA 15 Year Fixed 203K High Balance Limited FHA 30 Year Fixed 203K Limited FHA 30 Year Fixed 203K High Balance Limited 				
Down Payment	<ul style="list-style-type: none"> A minimum cash investment of 3.5% based on the purchase price and total project cost is required; refer to the Maximum Loan Amount Calculation section below. 				
Eligible Transactions	<table border="1"> <thead> <tr> <th>Transaction Type</th> <th>Requirements</th> </tr> </thead> <tbody> <tr> <td>Purchase</td> <td> <ul style="list-style-type: none"> To acquire and rehabilitate an existing structure that has been completed for at least 1 year prior to case number assignment date (Certificate of Occupancy has been issued over 12 months) For a HUD REO 203(k) purchase utilizing the Good Neighbor Next Door (GNND) or \$100 Down sales incentive, the mortgagee must calculate the maximum </td> </tr> </tbody> </table>	Transaction Type	Requirements	Purchase	<ul style="list-style-type: none"> To acquire and rehabilitate an existing structure that has been completed for at least 1 year prior to case number assignment date (Certificate of Occupancy has been issued over 12 months) For a HUD REO 203(k) purchase utilizing the Good Neighbor Next Door (GNND) or \$100 Down sales incentive, the mortgagee must calculate the maximum
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<p>Eligible Properties</p>	<p>The Property must be an existing Property that has been completed for at least one year prior to the case number assignment date. A Property that is not eligible for a 203(b) Mortgage due to health and safety or security issues may be eligible under 203(k) if the rehabilitation or repair work performed will correct such issues.</p> <p>The following property types may be financed:</p> <ul style="list-style-type: none"> ● 1-4 Unit SFRs ● Attached/detached SFRs ● Attached/detached PUDs ● FHA-approved Condos including Site Condominium units <ul style="list-style-type: none"> ○ Must comply with all FHA requirements for condominiums ○ Rehabilitation or improvements are limited to the interior of the unit (walls in) except for the installation of firewalls in the attic for the unit ○ No more than five units per Condominium Association, or 25% of the total number of units, whichever is less, can undergo rehabilitation at any time ○ After rehabilitation is complete, the unit is located in a Structure containing no more than four units. For townhome style condominiums, each townhouse is considered as one Structure, provided each unit is separated by a one and one half hour firewall from foundation to roof; ○ Evidence of HOA approval for the renovation must be provided prior to closing ● A HUD Real Estate Owned (REO) Property: <ul style="list-style-type: none"> ○ Property is identified as eligible for 203(k) financing as evidenced in the sales contract or addendum ● Manufactured Housing that meets the following requirements <ul style="list-style-type: none"> ○ The rehabilitation does not affect the structural components of the structure that were designed and constructed in conformance with the Federal Manufactured Home Construction and Safety Standards and must comply with all other requirements for Manufactured Housing. 				
<p>Ineligible Transactions</p>	<ul style="list-style-type: none"> ● Cash-out Refinance ● Escrow waivers are not permitted 				

	<ul style="list-style-type: none"> ● Life Estates ● Blind Trusts ● Irrevocable Trusts ● 1031 Exchanges ● LLC's, Corporations and Partnerships ● Community Land Trusts ● Identity of Interest when the current loan is delinquent or in foreclosure ● Loans with qualifying income earned from state-legalized marijuana businesses, as this is not considered as legally-derived income based on Federal law ● Temporary Buydowns ● Texas Cash-Out 50 (a)(6) Transactions ● Negative Equity Refinance transactions (including short pay off of subject property) ● Lava Zones 1 and 2
AUS	<p>DU Approve or LPA Accept required</p> <ul style="list-style-type: none"> ● Purchase Transactions Utilizing DU <ul style="list-style-type: none"> ○ There are a few scenarios that may exist on a purchase 203(k) transaction that DU cannot fully support. ○ When the estimated closing costs plus the sales price or as-is value is greater than 20% of the sales price, DU will fire a "Critical" warning on the DU Checks Tab on the AUS screen. That message will alert you that the loan must be manually underwritten. <ul style="list-style-type: none"> ■ In this specific scenario, users will not be able to run DU. ■ Please run LPA if this error is recognized. ○ When an 'as-is' appraisal is obtained on a Purchase Transaction and the 'as-is' value is significantly lower than the Purchase Price, DU will not be able to assess the transaction and a 'Critical' warning will be issued. <ul style="list-style-type: none"> ■ In this scenario, users will not be able to run DU. ■ Please run LPA if this error is recognized. ● AUS Refer is not permitted, however, if the loan is manually downgraded, the below requirements apply: <ul style="list-style-type: none"> ○ DTI: 31/43 No compensating factors required ○ DTI: 37/47 One of the following Compensating factors required: <ul style="list-style-type: none"> ■ Verified and documented cash Reserves ■ Minimal Increase in housing payment ■ Residual income ○ DTI: 40/40 Compensating factor <ul style="list-style-type: none"> ■ No Discretionary debt ○ DTI: 40/50 Two of the following Compensating factors required: <ul style="list-style-type: none"> ■ Verified and documented cash Reserves ■ Minimal Increase in housing payment ■ Residual income ● \$100 Down Payment Program <ul style="list-style-type: none"> ○ An "Ineligible" Automated Underwriting finding is acceptable only if the reason for ineligibility is due to financing the repair escrow or the loan to value exceeding 96.5% due to the eligibility for an expanded loan to value as a HUD owned REO and not for other reasons (for example: short to close) ○ Underwriter must comment on the HUD 92900-LT form regarding the

	reason for ineligibility
<p>Appraisal Requirements</p>	<p>All appraisals must be completed by a HUD-approved appraiser</p> <p>Establishing Value</p> <ul style="list-style-type: none"> ● Must establish both an Adjusted As-Is Value and an After Improved Value of the subject property (two separate appraisals may not be required) ● Adjusted As-Is Value <ul style="list-style-type: none"> ○ Purchase transaction <ul style="list-style-type: none"> ■ As-Is Value is the lesser of: <ul style="list-style-type: none"> ● The purchase price less any inducements to purchase; or ● The As-Is property value if an As-Is appraisal is obtained. An As-Is appraisal is required in the case of Property Flipping (follow standard FHA guidelines) ○ Refinance transaction <ul style="list-style-type: none"> ■ Properties acquired >= 12 months prior to Case Number Assignment date <ul style="list-style-type: none"> ● Obtain an As-Is appraisal when the existing debt on the property plus the total financeable rehabilitation costs exceeds the After Improved Value. <ul style="list-style-type: none"> ○ When an appraisal is obtained, the Adjusted As-Is Value is the As-Is value. ● Option of using the existing debt + fees associated with the new loan OR obtaining an as-is appraisal to determine the Adjusted As-Is Value when the existing debt on the property plus the total financeable rehabilitation costs do NOT exceed the After Improved Value. ● Existing Debt is defined in the FHA Lending Guide, 203(k) section. ■ Properties acquired < 12 months prior to Case Number Assignment date <ul style="list-style-type: none"> ● Obtain an As-Is appraisal; ● For properties acquired by inheritance or gift within 12 months, utilize the above calculation for <i>Adjusted As-Is Value > Refinance Transaction > Properties acquired greater than or equal to 12 months</i> ● After Improved Value <ul style="list-style-type: none"> ○ To establish the After Improved Value, an appraisal of the property subject to the repairs and improvements must be obtained <p>Documents to be Provided to the Appraiser at Assignment</p> <ul style="list-style-type: none"> ● A copy of the Consultant's Work Write-Up and Cost Estimate, when provided, is required
<p>Closing Costs / 203(k) Charges</p>	<p>Financeable Repair and Improvement Costs and Fees</p> <ul style="list-style-type: none"> ● The following repair and improvement costs and fees may be financed: <ul style="list-style-type: none"> ○ Costs of construction, Eligible Repairs and rehabilitation; ○ Inspection fees performed during the construction period, provided the fees are reasonable and customary for the area;

	<ul style="list-style-type: none"> ○ Title update fees; ○ Final Inspection 1004D and ○ Permits <p>Financeable Contingency Reserves</p> <ul style="list-style-type: none"> ● Contingency Reserve refers to funds that are set aside to cover unforeseen project costs ● Refer to the Contingency Reserve section below <p>Ineligible Fees and Costs</p> <ul style="list-style-type: none"> ● The following fees and costs may not be financed under the Limited 203(k) <ul style="list-style-type: none"> ○ Mortgage Payment Reserves ○ Architectural/engineering professional fees ○ 203(k) Consultant fee ○ Feasibility Study 								
Construction Period	<p>Rehabilitation Construction Period begins when the mortgage loan is closed.</p> <ul style="list-style-type: none"> ● The Mortgagee may consider the Mortgage to be in default if work: <ul style="list-style-type: none"> ○ Has not started within 30 Days of the Disbursement Date; ○ Ceases for more than 30 consecutive Days; or ○ Has not been completed within the established time frame, or an extended time frame approved by the Mortgagee ● The Borrower's Contract Agreement for Limited 203(k) must be reviewed to determine the timeframe for completion of repairs, which may not exceed six months 								
Contractor Requirements	<ul style="list-style-type: none"> ● If a contractor is required, a written proposal and Cost Estimate from a contractor for each specialized repair or improvement must be obtained. ● The selected contractor must meet all jurisdictional licensing and bonding requirements. ● The written proposal must indicate Work Items that require permits and state that repairs are non-structural. ● The Cost Estimate must state the nature and type of repair and cost for each Work Item, broken down by labor and materials. ● The contractors' credentials and bids must be submitted for review to ensure the contractor credentials and work plan / bids fall within the usual and customary range for similar work. 								
Contingency Reserve	<p>Contingency Reserve refers to funds that are set aside to cover unforeseen project costs that may arise during the renovation.</p> <ul style="list-style-type: none"> ● The contingency reserve must be financed into the loan amount. ● Any unused portion of the financed contingency reserve will be applied as a principal reduction after completion of renovations. <table border="1" data-bbox="457 1631 1507 1879"> <thead> <tr> <th colspan="2" style="background-color: #00a68a; color: white;">Contingency Reserve Requirements</th> </tr> <tr> <th style="width: 50%;">Hard Construction Costs</th> <th style="width: 50%;">Contingency Reserves Required</th> </tr> </thead> <tbody> <tr> <td style="text-align: center; color: #e91e63;">\$0 - Maximum Allowed</td> <td style="text-align: center; color: #e91e63;">10%</td> </tr> <tr> <td style="text-align: center; color: #e91e63;">Any Utility is Inoperable</td> <td style="text-align: center; color: #e91e63;">15%</td> </tr> </tbody> </table>	Contingency Reserve Requirements		Hard Construction Costs	Contingency Reserves Required	\$0 - Maximum Allowed	10%	Any Utility is Inoperable	15%
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	Discretionary based on Feasibility/Cost Analysis report	20%
Documentation Requirements	<p>Required Documentation and Review</p> <ul style="list-style-type: none"> ● Identity of Interest Certification ● Repairs noted by the Appraiser <ul style="list-style-type: none"> ○ When the appraisal identifies the need for health and safety repairs that were not included in the Work Write-Up or contractor's proposal, Cardinal must ensure the repairs are included in the Consultant's Final Work Write-Up ● 203(k) Borrower's Acknowledgment (HUD-92700-A) ● Feasibility Study (where applicable) ● Borrower Contractor Agreement <ul style="list-style-type: none"> ○ Obtain a written agreement between the borrower and the general contractor, or if there is no general contractor, for each contractor ○ The contractor must agree in writing to complete the work for the amount of the Cost Estimate and within the allotted time frame ● Work Plan, or Contractor's Written Proposal and Cost Estimate ● Sales Contract ● W-9 Form - completed by contractor <p>Closing Forms</p> <ul style="list-style-type: none"> ● Rehabilitation Loan Agreement ● Security Instrument and Rehabilitation Loan Rider 	
Draw / Disbursement Process	<p>The following may be disbursed at closing:</p> <ul style="list-style-type: none"> ● Permit fees (the permit must be obtained before work commences); ● Up to 50 percent of the estimated materials and labor costs before beginning construction only when the contractor is not willing or able to defer receipt of payment until completion of the work, or the payment represents the cost of materials incurred prior to construction. <ul style="list-style-type: none"> ○ A statement from the contractor is sufficient to document the payment deferment <p>After closing, the proceeds designated for the rehabilitation, including the contingency reserve, is placed in an interest bearing escrow account:</p> <ul style="list-style-type: none"> ● Two (2) draws; up to 50% at closing and 50% at completion of repairs ● Draw amounts are determined by the underwriter based on progress inspections 	
Extension Period	<p>If the work is not completed within the rehabilitation period specified in the Rehabilitation Loan Agreement, the Borrower may request an extension of time and must submit adequate documentation to justify the extension.</p> <p>Required Documentation</p> <ul style="list-style-type: none"> ● Evidence that the Mortgage is current; ● An explanation for the delay from the Borrower, contractor, or Consultant; and ● A new estimated completion date <p>Escrow Closeout Certification Screen</p>	

	<ul style="list-style-type: none"> ● The Mortgagee must complete the required fields on the Escrow Closeout Certification screen in FHAC to document the approval or the denial for the extension request of the rehabilitation period specified in the Rehabilitation Loan Agreement
<p>Eligible Improvements</p>	<p>The Limited 203(k) may only be used for minor remodeling and non-structural repairs. The total rehabilitation cost and fees may not exceed \$35,000. There is no minimum repair cost. All improvements to existing structures must comply with HUD's minimum property standards.</p> <p>Borrowers are not permitted to perform their own work under FHA's Rehabilitation Self-Help Agreement; all work must be performed by an eligible contractor.</p> <p>Eligible improvements include but are not limited to:</p> <ul style="list-style-type: none"> ● Eliminating health and safety issues that would violate HUD's minimum property standards; ● Repairing or replacing wells and/or septic systems; ● Connecting to public water and sewage systems; ● Repairing/replacing plumbing, heating, air conditioning, and electrical systems; ● Making changes to improve function and modernization; ● Eliminating obsolescence; ● Installing, replacing, or repairing roof, gutters and downspouts (provided the structural integrity of the structure will not be impacted by the work being performed), siding, gutters, and downspouts; ● Making energy conservation improvements; ● Creating accessibility for persons with disabilities; ● Installing, replacing, or repairing fences, walkways, and driveways; ● Purchase and installation of appliances, including free-standing cooktop, stove, ranges, refrigerators, washers and dryers, dishwashers and microwaves ● Repairing or removing an in-ground swimming pool; ● Installing smoke detectors; ● Installing, replacing, or repairing exterior decks, patios, and porches; <ul style="list-style-type: none"> ○ Must increase the As-Is Property Value equal to the dollar amount spent on the improvements, or be necessary to preserve the property from erosion ○ Repair of existing walks and driveway is acceptable if unfinished items impact the safety of the property ● Lead-based paint stabilization costs (above and beyond what is paid for by HUD when it sells REO properties) if the Structure was built before 1978, in accordance with the Single Family mortgage insurance lead-based paint rule and EPA's Renovation, Repair, and Painting Rule ● Repair of cosmetic termite damage and treatment against termites or other insect infestation. ● Repair/replacement/upgrade of flooring ● Minor remodeling that does not involve structural repairs, such as kitchens or bathrooms ● Exterior and Interior Painting ● Weatherization, including storm windows and doors, insulation and weather stripping, etc. ● Mold remediation and lead-based paint stabilization of abatement of lead based paint hazards ● Basement Waterproofing ● Replacement of window and doors and exterior wall residing

	<ul style="list-style-type: none"> ○ Original footprint of the structure must be maintained with the replacement of windows and/or doors
<p>HUD Consultant</p>	<ul style="list-style-type: none"> ● This program does not require the use of a 203(k) Cost Consultant; the use of a Consultant is optional at the borrower's choice and may not be financed into the loan amount. ● Any Consultant who performs work on a Limited 203(k) must be listed on the FHA 203(k) Consultant Roster; Consultant requirements per the HUD Handbook 4000.1 must be met.
<p>Ineligible Improvements</p>	<p>The Limited 203(k) mortgage proceeds may not be used to finance major rehabilitation or major remodeling. FHA considers a repair to be “major” when any of the following are applicable:</p> <ul style="list-style-type: none"> ● The repair or improvements are expected to require more than 6 months to complete; ● The rehabilitation activities require more than 2 payments per specialized contractor; ● The required repairs arising from the appraisal: <ul style="list-style-type: none"> ○ Necessitate a Consultant to develop a specification of repairs /Work Write-Up, or ○ Require plans or architectural exhibits ● The repair prevents the borrower from occupying the property for more than 15 days during the rehabilitation period. <p>Additionally, mortgage proceeds may not be used to finance the following specific repairs:</p> <ul style="list-style-type: none"> ● Converting a one-family structure to a two-, three-, or four-family structure; ● Decreasing an existing multi-unit structure to a one- to four-family structure; ● Reconstructing a structure that has been or will be demolished; ● Repairing, reconstructing or elevating an existing foundation; ● Purchasing an existing structure on another site and moving it onto a new foundation; ● Making structural alterations such as the repair of structural damage and New Construction, including room additions; ● Landscaping and site improvements (unless performed to prevent against erosion) ● Constructing a windstorm shelter; ● Making additions or alterations to support commercial use or to equip or refurbish space for commercial use; ● Making recreational or luxury improvements, such as: <ul style="list-style-type: none"> ○ new swimming pools; ○ an exterior hot tub, spa, whirlpool bath, or sauna; ○ barbecue pits, outdoor fireplaces or hearths; ○ bath houses; ○ tennis courts; ○ satellite dishes; ○ tree surgery (except when eliminating an endangerment to existing improvements); ○ photo murals; or ○ gazebos ● Repair of termite damage and treatment against infestation as provided in the termite inspection if the repairs require structural repairs to correct the damage

<p>FHA Connection Requirements</p>	<p>Case number Assignment Data Entry Requirements</p> <ul style="list-style-type: none"> ● 203(k) Program Type Indicator: Must select Limited 203(k) ● Consultant Identification Number (where applicable): Must enter the Consultant identification number into the “Consultant ID” field on the Case Number Assignment screen in FHAC. For a Limited 203(k) with no Consultant, the Mortgagee must enter “203KS” in the “Consultant ID” field. ● Construction Code: Must enter “Substantial Rehabilitation” in the drop-down menu labeled “Construction Code” ● Refinance Type: Select “Not Streamlined” ● Converting from a non-203(k) to a 203(k): Update the existing case data changing the ADP code to a valid 203(k) ADP code and the Construction Code to “Substantial Rehabilitation”
<p>FHA Connection - 203(k) Calculator</p>	<p>DE Underwriter is responsible to complete the 203(k) Calculator in the FHA Connection</p> <ul style="list-style-type: none"> ● 203k Calculator FHA Connection ● The fields should be compared to Octane > Construction > 203(k) Calculator screen ● Once completed, a screen print of the completed form should be uploaded to the Octane Smart Document FHA 203(k) Calculator Results for Loan
<p>Identity of Interest</p>	<p>Identity of Interest refers to a transaction between Family Members, business partners or other business affiliates. Conflict of interest refers to any party to the transaction who has a direct or indirect personal, business, or financial relationship sufficient to appear that may cause partiality and influence the transaction. Business Relationship refers to an association between individuals or companies entered into for commercial purposes.</p> <p>Eligibility</p> <ul style="list-style-type: none"> ● Sales transactions between Family Members and tenants/landlords that meet the FHA’s requirements for Exceptions to the Maximum LTV are permitted; no other instances of Identity of Interest or conflict of interest between parties in the 203(k) transaction. ● Borrower and the 203(k) Consultant must each sign an Identity-of-Interest certification which will be retained within the loan documentation. ● If the Borrower selected a 203(k) Consultant to perform a Feasibility Study, the Mortgagee may select the same 203(k) Consultant for the project without creating an Identity of Interest
<p>Maximum Costs of Improvement</p>	<ul style="list-style-type: none"> ● \$35,000 maximum including fees and contingency. ● The proposed improvements must comply with HUD’s minimum property standards and all local codes and ordinances. ● The borrower must submit a work plan to Cardinal and use one or more contractors to provide the Cost Estimate and complete the required improvements and repairs. ● The contractors must be licensed and bonded if required by the local jurisdiction. ● The borrower must provide the contractors’ credentials and bids to Cardinal. ● The contractors’ credentials, work experience and client references must be reviewed to ensure that the contractor meets all jurisdictional licensing and bonding requirements. ● Carinal must examine the work plan and the contractors’ bids and determine if they fall within the usual and customary range for similar work. ● The borrower may be required to provide additional Cost Estimates if necessary
<p>Maximum Loan Amount</p>	<p>The maximum loan amount will be determined in accordance with HUD’s 203(k)</p>

<p>Calculation</p>	<p>calculated value.</p> <p>Maximum Mortgage Amount for Purchase</p> <ul style="list-style-type: none"> ● The maximum mortgage amount that FHA will insure on a 203(k) purchase is the lesser of: <ul style="list-style-type: none"> ○ the appropriate Loan-to-Value (LTV) ratio from the Purchase Loan-to-Value Limits, multiplied by the lesser of: <ul style="list-style-type: none"> ■ the Adjusted As-Is Value, plus: <ul style="list-style-type: none"> ● Financeable Repair and Improvement Costs; ● Financeable Mortgage Fees; ● Financeable Contingency Reserves; or ■ 110 percent of the After Improved Value (100 percent for condominiums); or ○ the Nationwide Mortgage Limits <p>Maximum Mortgage Amount for Refinance</p> <ul style="list-style-type: none"> ● The maximum mortgage amount that FHA will insure on a 203(k) refinance is the lesser of: <ul style="list-style-type: none"> ○ the existing debt and fees associated with the new Mortgage, plus: <ul style="list-style-type: none"> ■ Financeable Repair and Improvement Costs; ■ Financeable Mortgage Fees ■ Financeable Contingency Reserves; or ○ the appropriate LTV ratio below, multiplied by the lesser of: <ul style="list-style-type: none"> ■ the Adjusted As-Is Value, plus <ul style="list-style-type: none"> ● Financeable Repair and Improvement Costs; ● Financeable Mortgage Fees ● Financeable Contingency Reserves; or ■ 110 percent of the After Improved Value (100 percent for condominiums); or ○ the Nationwide Mortgage Limits
<p>Mortgage Insurance Premium</p>	<p>LTV Calculation for Application of the MIP Factor</p> <ul style="list-style-type: none"> ● Divide the Base Loan Amount (from calculations above) by the After Improved Value
<p>Qualified Opportunity Zone</p>	<ul style="list-style-type: none"> ● Not eligible at this time
<p>Sales Contract</p>	<ul style="list-style-type: none"> ● The sales contract must include a provision that the borrower has applied for a 203(k) program and that the contract is contingent upon mortgage approval and borrowers acceptance of any additional required improvements that might be necessary. ● When the borrower is financing a HUD REO property, ensure that the first block on Line 4 of form HUD-9548, Instructions and Sales Contract, is checked as well as the applicable block for 203(k).
<p>Secondary Financing</p>	<ul style="list-style-type: none"> ● The maximum CLTV for secondary financing provided by private individuals and other organizations is 110 percent of the After Improved Value. ● Secondary financing provided by private individuals and other organizations may not be used to meet the Borrower's minimum down payment requirement

Cardinal Financial's programs neither originate from nor are expressly endorsed by any government entity.



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