

Rehab Loan Products

Description:	Rehab funds are available and can be combined with a borrower's first mortgage loan insured by FHA/RD through NH Housing's 203K and RD rehab programs. These Mortgage Loan programs can be combined with our Home Flex mortgage option only.
Term:	<ul style="list-style-type: none"> 30 years
Interest Rate:	<ul style="list-style-type: none"> Established daily and published on https://www.gonewhampshirehousing.com/rates.
Loan Purpose: Occupancy:	<ul style="list-style-type: none"> Purchase of a primary residence Must be owner-occupied
Eligible Borrowers:	<ul style="list-style-type: none"> Refer to the Home Flex Fact Sheet.
Homeownership Education/Counseling:	<ul style="list-style-type: none"> Borrower must complete Purchase Rehab education. Acknowledgement page signed by all borrowers.
Eligible Properties:	<ul style="list-style-type: none"> Refer to the Home Flex Fact Sheet. HUD owned properties are allowed Condos, interior only. Manufactured housing is not eligible
Eligible Areas:	<ul style="list-style-type: none"> Per RD requirements for RD Rehab Loans.
Maximum Mortgage:	<ul style="list-style-type: none"> Maximum Base Mortgage Calculation Limited 203k program per HUD Handbook 4000.1
Income Limit:	<ul style="list-style-type: none"> Income limits as published by New Hampshire Housing for borrower(s) only, for RD Rehab loans use or RD guidelines if lower.
Underwriting/ Ratios:	<ul style="list-style-type: none"> Refer to Home Flex Fact Sheet. Approve/Eligible Any DTI over 50% requires approve/eligible findings and a minimum credit score of 680 Seller contributions – per FHA & RD guidelines
Appraisal Requirements:	<ul style="list-style-type: none"> Interior/Exterior photos required with full URAR. Standard FHA and additional Limited 203k appraisal requirements Repair costs must be reported by the appraiser. Appraisal must reflect "as complete" value
Disbursements:	<ul style="list-style-type: none"> Refer to disbursement instructions in Forms under Disbursement Instructions. If contractors wish to have disbursements at different times additional final inspection and title update fees will be applied.
Max Repair Cost:	<ul style="list-style-type: none"> \$35,000 (Total Rehab Costs per Max Base Mortgage Calculation worksheet) including contingency and fees.
Rehab Period:	<ul style="list-style-type: none"> Rehab construction must begin with 30 days of closing and be completed per FHA guidelines within 180 days of closing.
Fees:	<ul style="list-style-type: none"> A Supplemental Origination Fee of the greater of \$350 or 1.5% of Line B10 (Rehab Amount) on the Max Mortgage Worksheet (HUD-92700) plus title update fee and final inspection fee.

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<p>Required Documents:</p>	<ul style="list-style-type: none"> • Completed Homeowner/Contractor Agreement(s), contractor may not be a relative • All cost estimates must clearly state the nature and type of repair and the cost for completion. • 203k Borrower Acknowledgment (HUD-92700A) • Limited 203k Mortgage Calculation Worksheet • Work plan from borrowers detailing proposed repairs. • Completed contractor approval worksheet (s) • General Liability Insurance Binder • W-9's • All cost estimates must clearly state the nature and type of repair and the cost for completion to include: <ul style="list-style-type: none"> ◦ Each line item must break out cost for labor and materials. ◦ Be as specific as possible in describing brand, size, amount, etc. • No more than 2 payments may be made per contractor for each specialized item of work performed. • Letter from contractor(s) requesting 50% disbursement at closing. • Rehab Homebuyer Education acknowledgement page signed by all borrowers.
<p>Upon Completion:</p>	<ul style="list-style-type: none"> • Once all work is complete, the following forms must be submitted for final disbursement: • Mortgagor's Letter of Completion. • Final invoices from all contractors and subcontractors. • Final title update. • Executed final Owners Loan Disbursement Affidavit. • Executed final Contractors Loan Disbursement Affidavit. • Compliance Inspection Report. (FHA's final evidencing 100% complete)
<p>Allowable Repairs:</p>	<ul style="list-style-type: none"> • Eliminating health and safety hazards that would violate HUD's MPR. • Repairing or replacing wells and/or septic systems (well needs 100% cushion). • Connecting to public water and sewage systems. • Repairing/replacing plumbing, heating, AC and electrical systems. • Making changes for improved functions and modernization. • Eliminating obsolescence. • Repairing or installing new roofing, 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 or repairing fences, walkways, and driveways. • Installing a new refrigerator, cooktop, oven, dishwasher, built-in microwave oven and washer/dryer. • Repairing or removing an in-ground swimming pool. • Installing smoke detectors. • Installing, replacing or repairing exterior decks, patios, and porches. • Covering 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 • Mold Remediation is now allowed with a total contingency of 20% • All repairs need to be completed within 180 days of closing. • Any repairs not listed are ineligible.
<p>Pre-Approval:</p>	<ul style="list-style-type: none"> • Complete purchase and sales agreement • Appraisal, must reflect "as complete" value
<p>Pre-Approval Requirements:</p>	<ul style="list-style-type: none"> • All rehab work needs to be pre-approved prior to scheduling a closing. Please allow at least 48 hours turnaround time.