



FHA 203K Program

	Purchase <u>Standard</u> 203K (Full)	Purchase <u>Limited</u> 203K (Streamline)	Refinance Owned > 12 Months <u>Standard</u> 203K (Full)	Refinance Owned > 12 Months <u>Limited</u> 203K (Streamline)	Refinance Owned < 12 Months <u>Standard</u> 203K (Full)	Refinance Owned < 12 Months <u>Limited</u> 203K (Streamlined)
# of Draws	As Determined by the Project Consultant; 10% Holdback on each draw	2 per contractor; Typically one Deposit and One Final Draw; If contractor will require more than two draws, project must go Standard not Limited 203K	As Determined by the Project Consultant; 10% Holdback on each draw	2 per contractor; Typically one Deposit and One Final Draw; If contractor will require more than two draws, project must go Standard not Limited 203K	As Determined by the Project Consultant; 10% Holdback on each draw	2 per contractor; Typically one Deposit and One Final Draw; If contractor will require more than two draws, project must go Standard not Limited 203K
Contingency	Required; Minimum is 10% and Maximum is 20% If Utilities are not on then minimum contingency of 15% required					
203K Consultant	Required	Not Required, If Utilized then cost cannot be financed	Required	Not Required, If Utilized then cost cannot be financed	Required	Not Required, If Utilized then cost cannot be financed
Occupancy Type	Owner Occupied Only; 1-4 Unit	Owner Occupied Only; 1-4 Unit	Owner Occupied Only; 1-4 Unit	Owner Occupied Only; 1-4 Unit	Owner Occupied Only; 1-4 Unit	Owner Occupied Only; 1-4 Unit
Payment Reserve	Allowed, up to 6 months payments, but not more than months required for project	Not Allowed	Allowed, up to 6 months payments, but not more than months required for project	Not Allowed	Allowed, up to 6 months payments, but not more than months required for project	Not Allowed
Identity of Interest (Borrower, Contractor, Consultant)	Sale between family members allowed; No other instances of Identity of Interest or Conflict of Interests between Parties allowed	Sale between family members allowed; No other instances of Identity of Interest or Conflict of Interests between Parties allowed	Sale between family members allowed; No other instances of Identity of Interest or Conflict of Interests between Parties allowed	Sale between family members allowed; No other instances of Identity of Interest or Conflict of Interests between Parties allowed	Sale between family members allowed; No other instances of Identity of Interest or Conflict of Interests between Parties allowed	Sale between family members allowed; No other instances of Identity of Interest or Conflict of Interests between Parties allowed
Max Project Term	6 Months	6 months, Project cannot displace borrower's from property more than 15 days	6 Months	6 months, Project cannot displace borrower's from property more than 15 days	6 Months	6 months, Project cannot displace borrower's from property more than 15 days

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	Purchase Standard 203K (Full)	Purchase Limited 203K (Streamline)	Refinance Owned > 12 Months Standard 203K (Full)	Refinance Owned > 12 Months Limited 203K (Streamline)	Refinance Owned < 12 Months Standard 203K (Full)	Refinance Owned < 12 Months Limited 203K (Streamlined)
Initial Draw at Closing	<p>Draw for Materials Prepaid by Borrower</p> <p>Draw for Materials Prepaid by Borrower or Contractor – verification and approval by HUD Consultant and FGMC required</p>	<p>Draw for Materials Prepaid by Borrower or Contractor – verification required (25% Max)</p>	<p>Draw for Materials Prepaid by Borrower</p> <p>Draw for Materials Prepaid by Borrower or Contractor – verification and approval by HUD Consultant and FGMC required</p>	<p>Draw for Materials Prepaid by Borrower or Contractor – verification required (25% Max)</p>	<p>Draw for Materials Prepaid by Borrower</p> <p>Draw for Materials Prepaid by Borrower or Contractor – verification and approval by HUD Consultant and FGMC required</p>	<p>Draw for Materials Prepaid by Borrower or Contractor – verification required (25% Max)</p>
	<p>-Repair estimate must show a breakdown of material and labor costs, signed & dated by borrower and contractor</p> <p>-Draw Request Form (9746-A), completed & signed by HUD Consultant, borrower & contractor; Copy of the contract established between the Contractor and the supplier/vendor, and;</p> <p>-Copies of receipts/invoices for order(s) placed with the supplier/vendor for delivery at a later date.</p>	<p>If Special Request Signed by Contractor(s) up to 50% of contract(s) less monies sent for prepaid materials</p>	<p>-Repair estimate must show a breakdown of material and labor costs, signed & dated by borrower and contractor</p> <p>-Draw Request Form (9746-A), completed & signed by HUD Consultant, borrower & contractor; Copy of the contract established between the Contractor and the supplier/vendor, and;</p> <p>-Copies of receipts/invoices for order(s) placed with the supplier/vendor for delivery at a later date.</p>	<p>If Special Request Signed by Contractor(s) up to 50% of contract(s) less monies sent for prepaid materials</p>	<p>-Repair estimate must show a breakdown of material and labor costs, signed & dated by borrower and contractor</p> <p>-Draw Request Form (9746-A), completed & signed by HUD Consultant, borrower & contractor; Copy of the contract established between the Contractor and the supplier/vendor, and;</p> <p>-Copies of receipts/invoices for order(s) placed with the supplier/vendor for delivery at a later date.</p>	<p>If Special Request Signed by Contractor(s) up to 50% of contract(s) less monies sent for prepaid materials</p>
As Is Appraisal* (always required if property flipping criteria met)	Not Required BUT If As Is Appraisal is done, resulting value must be used in calculations	Not Required BUT If As Is Appraisal is done, resulting value must be used in calculations	Not Required <u>Unless</u> Lien(s) payoff plus total project is more than As Complete appraisal. If As Is Appraisal is completed, must be used in calculations (worksheet will indicate if needed)	Not Required <u>Unless</u> Lien(s) payoff plus total project is more than As Complete appraisal. If As Is Appraisal is completed, must be used in calculations (worksheet will indicate if needed)	Required	Required
As Complete Appraisal	Required, Should not include an As Is Value	Required, Should not include an As Is Value	Required, Should not include an As Is Value	Required, Should not include an As Is Value	Required, Should not include an As Is Value	Required, Should not include an As Is Value
Cost of Work	Not less than \$5K	Total Project (including costs, contingency and fees) not to exceed \$35K; no minimum	Not less than \$5K	Total Project (including costs, contingency and fees) not to exceed \$35K; no minimum	Not less than \$5K	Total Project (including costs, contingency and fees) not to exceed \$35K; no minimum
Project Work	No Luxury Items; In Ground Pool Repair is Allowed	No Structural Work; No Luxury Items; In Ground Pool Repair is Allowed; Project work must finish within 6 months, If Project prevents Borrower occupancy more than 15 days must be done as Standard 203K	No Luxury Items; In Ground Pool Repair is Allowed	No Structural Work; No Luxury Items; In Ground Pool Repair is Allowed; Project work must finish within 6 months, If Project prevents Borrower occupancy more than 15 days must be done as Standard 203K	No Luxury Items; In Ground Pool Repair is Allowed	No Structural Work; No Luxury Items; In Ground Pool Repair is Allowed; Project work must finish within 6 months, If Project prevents Borrower occupancy more than 15 days must be done as Standard 203K
Max Number of Contractors	1 GC and 1 Specialty Contractor; No Self Build/Help	Up to 5 Contractors (profile and disclosures for each); No Self Build/Help	1 GC and 1 Specialty Contractor; No Self Build/Help	Up to 5 Contractors (profile and disclosures for each); No Self Build/Help	1 GC and 1 Specialty Contractor; No Self Build/Help	Up to 5 Contractors (profile and disclosures for each); No Self Build/Help

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