



first community mortgage

Renovation Lending Product Comparison Matrix

Renovation Product	FHA 203(k) Standard	FHA 203(k) Limited	VA Renovation	Fannie Mae HomeStyle	Freddie Mac CHOICE Renovation
<i>The following is a quick guide and does not represent the full details or guidelines of our renovation products. For additional program details, please visit FCM H3/PKC Renovation Page</i>					
Transaction Type	Purchase and Rate/Term Refinance	Purchase and Rate/Term Refinance	Purchase and Rate/Term Refinance	Purchase and Rate/Term Refinance	Purchase and Rate/Term Refinance
Occupancy	Primary Residence	Primary Residence	Primary Residence	Primary Residence, Second Home, Single Family Investment	Primary Residence, Second Home, Single Family Investment
Property Type	Attached/detached SFR, PUD, Condo, 2-4 units primary residence, Manufactured Homes	Attached/detached SFR, PUD, Condo, 2-4 units primary residence, Manufactured Homes	SFR Only	1-4-unit Primary Residence, 1-unit Second home, 1-unit Investment Property, Manufactured Home (Doublewide or greater), SFR, PUD, and Warrantable Condo.	1-4-unit Primary Residence, 1-unit Second home, 1-unit Investment Property, Manufactured Home (Doublewide or greater), SFR, PUD, and Warrantable Condo.
Credit Score	600	600	620	620	600
LTV/CLTV Purchase	96.50%/110%110% CLTV	96.50%/110%110% CLTV	100%	97%/105% 1st Time Home Buyer and HomeReady Options 95% - 1-4 Unit Owner Occupied 90% - 1 Unit Second Home 85% - 1 Unit Investor (purchase)	97% Conforming/95% Super-Conforming Home Possible 1 Unit Owner Occupied 95% - 1 Unit Owner Occupied 85% - 2 Unit Owner Occupied 80% - 3 & 4 Unit Owner Occupied 90% - 1 Unit Second Home 95% - Manufactured Home 85% - 1 Unit Investor (purchase or refinance)
LTV/CLTV Refinance	97.75%/110%	97.75%/110%	90%	Limited Cash Out – No Cash to Borrower 97%/ HomeReady Options 95% - 1-4 Unit Owner Occupied 90% - 1 Unit Second Home 75% - 1 Unit Investor	Rate Term Refinance 97% Conforming/95% Super-Conforming Home Possible 1 Unit Owner Occupied 95% - 1 Unit Owner Occupied 85% - 2 Unit Owner Occupied 80% - 3 & 4 Unit Owner Occupied 90% - 1 Unit Second Home 95% - Manufactured Home 85% - 1 Unit Investor (purchase or refinance)
High Balance	Yes	Yes	Yes	Yes	Standard Conforming and Super Conforming
Mortgage Insurance	Yes	Yes	None- only funding fee (if applicable)	When LTV >80% of As Completed Value	When LTV >80% of As Completed Value
Minimum Repair Amount	\$5,000	None	None	None	None
Maximum Repair Amount	No Maximum	\$35,000. This includes rehab fees and contingency reserve	Maximum repair amount is \$75k or 35% ARV, whichever is less. This includes contingency and fees.	75% of As Improved Appraised Value The lesser of \$50,000 or 50% of the as-completed value for Manufactured Home	75% of As Improved Appraised Value The lesser of \$50,000 or 50% of the as-completed value for Manufactured Home
Allowed to be included in Rehabilitation Costs	Total Soft/Hard cost of Labor and Materials: - Architectural Fee - 203(k) Consultant Fee - Draw Inspection Fees (5) - Title Update Fees - Permit Fee - Contingency Reserve - Up to 6-month PITI (if applicable) - Supplemental Origination Fee - Discount Points (on repair cost and fees)	Total Soft/Hard cost of Labor and Materials: - Draw Inspection Fee (2 per contractor) - Title Update Fee - Permit Fee - Contingency Reserve - Supplemental Origination Fee - Discount Points (on repair cost and fees)	Maximum Renovation Related Fees Allowed: - Contingency Reserve not to exceed 15% - Inspection Fees 3 inspections total - Title Update fee \$200 each - Permit fees	Total Hard cost of Labor and materials - Architectural Fee - 203(k) Consultant Fee or Third-Party Pre-closing Review Fee - Draw Inspection Fees (5) - Final Inspection Fee (1004D) - Title Update Fees - Permit Fee - Contingency Reserve Fee - Up to 6 Months PITI - Reno Draw Management Fee	Renovation costs may include: - Architectural/Engineer Fee - Permits Fee - Title Updates Fee - Draw Inspections Fee - Contingency Reserve Fee - Final Inspection Fee - Review of Renovation Plans or Consultant Work Write Up Fee - Reno Draw Management Fee - Up to 6 month PITI
Contingency Reserve Requirement	HUD Consultant to determine contingency amount based on the scope of work.	Minimum 10% if utilities are on at time of appraisal inspection. 15% if utilities are off.	Minimum 10% if utilities are on at time of appraisal inspection. 15% if utilities are off.	Minimum 10% if utilities are on at time of appraisal inspection. 15% if utilities are off.	Minimum 10% if utilities are on at time of appraisal inspection. 15% if utilities are off.
Escrow Closeout	Any remaining funds are applied as principal reduction. Contingency can be reimbursed to the borrower if paid in cash.	Any remaining funds are applied as principal reduction. Contingency can be reimbursed to the borrower if paid in cash.	Any remaining funds are applied as principal reduction. Contingency can be reimbursed to the borrower if paid in cash.	Any remaining funds are applied as principal reduction. Contingency can be reimbursed to the borrower if paid in cash.	Any remaining funds are applied as principal reduction. Contingency can be reimbursed to the borrower if paid in cash.
Eligible Product	Fixed 10 ,15, 20, 25 and 30	Fixed 10, 15, 20, 25 and 30	Fixed 15 and 30	Fixed 15 and 30	Fixed 15 and 30
Maximum Duration of Renovation	6 months from closing	6 months from closing	90 days from closing	12 months from closing	12 months from closing
Self-Help (DIY) Eligibility	No	No	No	No	No
Types of Repairs	Structural and non-structural	Non-structural	Non-structural	Structural and non-structural	Structural and non-structural
Luxury Items	No	No	No	Yes - if attached to the property and adds value	Yes - if attached to the property and adds value
Swimming Pool Construction	Repairs or removal of an existing inground pool is allowed now.	Repairs or removal of an existing inground pool is allowed now	No – Repairs allowed up to \$1,500	Yes	Yes
Tear Down/Rebuild	Yes, if entire foundation of existing structure remains intact	No	No	No	No
Mold/Lead Paint Removal	Yes	Yes	Yes	Yes	Yes
Building Additions	Yes	No	No	Yes, you must meet FNMA accessory unit requirements	Yes, but not for a new dwelling
Appliances	Yes, if included in Work Write-up	Yes, if included in contractor bids	Yes	Yes, if included in contractor bids	Yes, if included in contractor bids
Foundation Work	Yes	No	No	Yes	Yes
Consultant Required	Yes	No	No	No	No
Maximum Number of Contractors	3	3	3	3	3
Finance PITI Payments	Up to 6 while house is uninhabitable	No	No	Up to 6 while house is uninhabitable	Up to 6 while house is uninhabitable
Maximum Draws	5	2	3	4	5
Draw Holdback	Yes, 10% from each draw	No	Yes, 10% from each draw	No	No
Fund Disbursement at Loan Closing	Material cost for items prepaid by borrower/or contractor (under contract for delivery). Up to 50% of material costs for items ordered but not yet paid for (under contract for delivery)	30% initial draw will be paid to contractor at closing and remaining balance to be paid after we receive clear final 1004D.	30% initial draw will be paid to contractor at closing.	30% initial draw will be paid to contractor at closing.	30% initial draw will be paid to contractor at closing.