



FHA Programs

FHA programs are in high demand due to their flexibility, more lenient view of credit and low down payment. They are perfect for refinancing or purchase. We have outlined a few of the advantages using an FHA option can provide.

FHA 203B

- These are the “regular” FHA loans that are published by most companies
- Available in various term lengths
- Typically the rates are lower than conventional with a few exceptions to this due to unique factors of the borrower
- Monthly Mortgage Insurance & Upfront Mortgage Insurance Premium will apply
- Purchase only requires 3.5% down payment
- Refinance loans may qualify up to 97.75% Loan to Value
- Cash out loans will be limited to 80% Loan to Value
- Credit scores accepted as low as 620 (Flanagan State Bank will use the middle score of the three main credit bureaus)
- Streamline Refinances available
- Escrow Repair Account available for Appraisal required repairs less than \$5000—see Loan Officer for details
- Up to 55% Debt to Income ratios allowed with compensating factors for the loan approval present
- Monthly mortgage insurance can be lower than conventional loans, depending on applicant qualification criteria
- Gift funds allowed for down payment but must be from a family member only
- Flexible job time—see your Loan Officer for details
- Reserved assets may not be required
- Refinance of a contract for deed allowed—some restrictions may apply