

Renovation Loan Comparison Guide

Programs	FNMA HomeStyle® Renovation	FNMA HomeStyle® Refresh	CHOICERenovation®	CHOICEReno eXpress®	GreenCHOICE®	FHA 203(k) Standard	FHA 203(k) Limited	USDA Rehabilitation and Repair (Structural)	USDA Rehabilitation and Repair (Non-Structural)	VA Alterations and Repairs
Types of repairs	<ul style="list-style-type: none"> No required improvements or restrictions on the types of renovations allowed with the exception of complete tear-down and reconstruction of a dwelling which is not allowed Improvements should be permanently affixed to the real property (either dwelling or land) with the exception of appliances Appliances may be financed if they are part of an overall remodeling project that includes substantial changes or upgrades to the rooms in which the appliances are being placed Complete the final work on a newly built home when the home is at least 90% complete as long as remaining improvements are non-structural such as finishes Construct various outdoor buildings and structures when allowed by local zoning regulations (e.g., accessory units, garages, recreation rooms, and swimming pools) 	<ul style="list-style-type: none"> Energy or water efficiency upgrades or improvements, or to pay off PACE debt or non-PACE secured or unsecured debt used to finance energy-related improvements (conditions apply) Environmental hazard damage repairs or resiliency improvements, including asbestos, lead, mold, and radon Disaster preparedness or resiliency improvement such as storm surge barriers, foundation retrofitting for earthquakes, hazardous brush and tree removal in fire zones, or retaining walls to address mud or water flows Repairs needed due to a natural or environmental disaster of an existing property Small-scale improvements such as kitchen or bathroom updates, construction of outdoor buildings and structures when allowed by local zoning regulations (e.g., swimming pools, decking, screening and porch, patio additions), adding or renovating an accessory dwelling unit (ADU), with the exception that no structural changes are allowed to be made on manufactured homes 	<ul style="list-style-type: none"> Adding or renovating outdoor structures used for leisure and recreation, including, but not limited to, swimming pools, decking, screening and porch and patio additions Renovations or repairs to a property that has been damaged in a disaster or for renovations that will protect the Mortgaged Premises in case of a future disaster (e.g., storm surge barriers, foundation retrofitting for earthquakes, retaining walls, etc.) Renovations to improve the energy and/or water efficiency, the health and safety and/or the resiliency and preventiveness of the property Adding or renovating an ADU, including a Manufactured Home ADU Payoff of short-term financing that provided the homeowner with funds to repair, restore, rehabilitate or renovate their home (not allowed on manufactured homes) 	<ul style="list-style-type: none"> Adding or renovating outdoor structures used for leisure and recreation, including, but not limited to, swimming pools, decking, screening and porch and patio additions Renovations or repairs to a property that has been damaged in a disaster or for renovations that will protect the Mortgaged Premises in case of a future disaster (e.g., storm surge barriers, foundation retrofitting for earthquakes, retaining walls, etc.) Renovations to improve the energy and/or water efficiency, the health and safety and/or the resiliency and preventiveness of the property Adding or renovating an ADU, including a Manufactured Home ADU 	<ul style="list-style-type: none"> Energy and/or water efficiency improvements, including renewable energy sources (e.g., solar panels, hydropower systems, wind turbines and geothermal systems), ENERGY STAR® Energy Efficient Products listed at https://www.energystar.gov/products/products-list, and electrification improvements (e.g., replacing equipment or appliances that run on natural gas or other combustible fuel with efficient, all-electric technologies) Health and safety improvements (e.g., building-code compliance if cited by the applicable jurisdiction) Resiliency and preventative improvements to either repair natural disaster damage or improve a home's ability to withstand future natural disasters Basic improvements, such as adding ceiling, wall or floor insulation, air conditioning/heating replacement with high efficiency, air sealing, caulking or weather stripping, heat pumps and induction cooktops, high efficiency refrigerators/freezers, water heaters and light bulbs, hurricane fabric or shutters, low-flow water fixtures, programmable thermostats, solar water heaters, ventilation; radon mitigation; and asbestos, mold or lead abatement, window and door replacement Eligible improvements must 1) be permanently affixed to the property, except for appliances used in a kitchen, laundry room or utility room and health and safety improvements, and 2) not impact the structural integrity of the property for Mortgages secured by Manufactured Homes, including Manufactured Homes that are CHOICEHomes® Existing debt incurred to finance the purchase, installation, repair or upgrade of eligible improvements listed above that were completed before the Note Date of the new loan 	<ul style="list-style-type: none"> Converting a one-family Structure to a one-family Structure with an ADU, two-, three-, or four-family Structure Adding an Accessory Dwelling Unit (ADU) that will be attached to an existing Structure Renovating an existing ADU that is attached or unattached to an existing Structure Decreasing an existing multi-unit Structure to a one- to four-family Structure Reconstructing a Structure that has been or will be demolished, provided the complete existing foundation system is not affected and will still be used Repairing, reconstructing, or elevating an existing foundation where the Structure will not be demolished Purchasing an existing Structure on another site, moving it onto a new foundation, and repairing/renovating it Making structural alterations such as the repair or replacement of structural damage, additions to the Structure, and finished attics and/or basements Rehabilitating, improving, or constructing a garage Eliminating health and safety hazards that would violate HUD's Minimum Property Requirements (MPR) Installing or repairing wells and/or septic systems Connecting to public water and sewage systems Repairing/replacing plumbing, heating, AC, and electrical systems Making changes for improved functions and modernization Making changes for aesthetic appeal Repairing or adding roofing, 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 Making site improvements Landscaping Installing or repairing exterior decks, patios, and porches Constructing a windstorm shelter Covering lead-based paint stabilization costs 	<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 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 <p>NOTE: Patios and decks must increase as-is property value equal to dollar amount spent on the improvements</p>	<ul style="list-style-type: none"> Removing safety and health hazards Making the dwelling accessible to persons with disabilities Repair or installation of septic system and water wells Additions, structural alterations, or reconstruction of an existing dwelling Addition of a garage, attached or detached Modernizations (kitchens and bathrooms, interior floor cover, exterior siding, etc.) Installation of energy conservation or weatherization features Repairs to existing swimming pools, hot tubs, or saunas Repairs to accessory dwelling units If dwelling is being demolished, complete existing foundation must remain in place and be used Luxury items not allowed 	<ul style="list-style-type: none"> Removing safety and health hazards Making the dwelling accessible to persons with disabilities Repair or installation of septic system and water wells Additions, structural alterations, or reconstruction of an existing dwelling Addition of a garage, attached or detached Modernizations (kitchens and bathrooms, interior floor cover, exterior siding, etc.) Installation of energy conservation or weatherization features Repairs to existing swimming pools, hot tubs, or saunas Repairs to accessory dwelling units Structural repairs not allowed Luxury items not allowed 	<ul style="list-style-type: none"> Improvements ordinarily found on similar properties of comparable value in the community Substantially protecting or improving the basic livability, or utility of the property, and Restricted primarily to the maintenance, replacement, improvement or acquisition of real property, including fixtures Installation of features such as barbecue pits, swimming pools, etc., not allowed Equipment must be related to the alterations being financed

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Minimum repair amount	No minimum	No minimum	No minimum	No minimum	No minimum	\$5,000 in eligible improvements	No minimum	No minimum	No minimum	No minimum
Maximum repair amount	<p>Purchase: Renovation capped at 75% of acquisition or after-improved value (whichever is lower)</p> <p>Refinance: Renovation capped at 75% of after-improved value</p> <p>Manufactured homes: 50% of the "as completed" appraised value</p>	<p>Renovation of existing property: up to 15% of the "as completed" appraised value of the property</p> <p>Pay off non-PACE secured or unsecured debt used to finance energy-related improvements: 15% of the appraised value of the property</p> <p>Pay off of PACE debt: up to the maximum allowable LTV for the transaction and occupancy type</p>	<p>Purchase: Renovation capped at 75% of acquisition or after-improved value (whichever is lower)</p> <p>Refinance: Renovation capped at 75% of after-improved value</p> <p>Manufactured homes: the lesser of \$50,000 or 50% of the "as completed" appraised value</p>	<p>Purchase: 15% of lesser of acquisition cost or appraised value if property is located in a Duty to Serve high-needs area. Otherwise, 10% of lesser of acquisition cost or appraised value. Acquisition cost includes purchase price plus total renovation costs</p> <p>Refinance: 15% of appraised value if property is located in a Duty to Serve high-needs area. Otherwise, 10% of appraised value</p> <p>Manufactured homes: the lesser of \$50,000 or 15% of the "as completed" appraised value if property is located in a Duty to Serve high-needs area. Otherwise, 10% of appraised value</p>	15% of "as completed" appraised value	Total rehabilitation costs are contingent upon the appraised property value	\$75,000 in total rehabilitation costs	Total renovation costs are contingent upon the appraised property value	Up to \$75,000 for repairs such as those identified by a home inspector or appraiser	Total renovation costs are contingent upon the appraised property value
Property types	<ul style="list-style-type: none"> Stick built Historical properties Manufactured homes Modular homes PUDs Townhomes Unfinished new construction Warrantable condos 	<ul style="list-style-type: none"> Stick built Historical properties Manufactured homes Modular homes PUDs Townhomes Warrantable condos 	<ul style="list-style-type: none"> Stick built Historical properties Manufactured homes Modular homes PUDs Townhomes Unfinished new construction Warrantable condos 	<ul style="list-style-type: none"> Stick built Historical properties Manufactured homes Modular homes PUDs Townhomes Unfinished new construction Warrantable condos 	<ul style="list-style-type: none"> Stick built Historical properties Manufactured homes Modular homes PUDs Townhomes Unfinished new construction Warrantable condos 	<ul style="list-style-type: none"> Stick built Historical properties Manufactured homes Mixed-use properties Modular homes PUDs Townhomes Warrantable condos 	<ul style="list-style-type: none"> Stick built Historical properties Manufactured homes Mixed-use properties Modular homes PUDs Townhomes Warrantable condos 	<ul style="list-style-type: none"> Stick-built homes with or without an ADU Historical properties Manufactured homes Modular homes PUDs Townhomes 	<ul style="list-style-type: none"> Stick-built homes with or without an ADU Historical properties Manufactured homes Modular homes PUDs Townhomes 	<ul style="list-style-type: none"> Stick built Historical properties Manufactured homes Modular homes Newly constructed homes PUDs Townhomes VA-approved condominium units
Property age	No age restriction	No age restriction, but home must have been completed	No age restriction	No age restriction	No age restriction	1-year old	1-year old	1-year old	1-year old	N/A
Consultant required	No	No	No	No	No, but an energy report is required when eligible improvements with an aggregate cost greater than \$6,500 are being financed	Yes	No	Yes	No	No
Number of contractors allowed	General Contractor	At lender's discretion	At lender's discretion	At lender's discretion	At lender's discretion	At lender's discretion, but no Identity-of-Interest allowed	At lender's discretion, but no Identity-of-Interest allowed	General Contractor	General Contractor	General Contractor
Do-It Yourself (DIY), or Self-Help	<ul style="list-style-type: none"> Allowed on 1-unit properties up to 10% of the "as completed" value of the property Sweat equity not allowed Full retail value for labor and materials must be financed in case homeowner is unable to complete the work Not allowed on manufactured homes Other conditions may apply 	N/A	<ul style="list-style-type: none"> Homeowner may act as the general contractor and/or perform some or all of the work if they are licensed (if/when required), insured, and qualified to complete the renovations Homeowner may only be reimbursed for the cost of materials purchased to complete the eligible improvements. Homeowner may not be reimbursed for any self-performed labor Not allowed if homeowner hires a home improvement store 	<ul style="list-style-type: none"> Homeowner may act as the general contractor and/or perform some or all of the work if they are licensed (if/when required), insured, and qualified to complete the renovations Homeowner may only be reimbursed for the cost of materials purchased to complete the eligible improvements. Homeowner may not be reimbursed for any self-performed labor Not allowed if homeowner hires a home improvement store 	<ul style="list-style-type: none"> Homeowner may only be reimbursed for the cost of materials purchased to complete the eligible improvements. Homeowner may not be reimbursed for any self-performed labor 	<ul style="list-style-type: none"> Allowed Consultant must identify on the Work Write-Up each Work Item to be performed by the homeowner Homeowner must not be reimbursed for labor costs Homeowner must be a licensed general contractor or can document necessary experience and expertise Other conditions apply 	<ul style="list-style-type: none"> Allowed Homeowner must submit a work plan detailing the Work Items to be performed and a Cost Estimate from a licensed and bonded contractor other than the homeowner that provides a breakdown of the cost for labor and materials for each Work Item Homeowner must not be reimbursed for labor costs Homeowner must be a licensed general contractor or can document necessary experience and expertise Other conditions apply 	Not allowed	Not allowed	Not allowed

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Maximum LTV allowed	<ul style="list-style-type: none"> 97% for 1-unit primary residence (applies to purchases if FTHB or refinances if paying off Fannie Mae® mortgage) 95% for 1-4 unit primary residence (purchases and refinances) <p>Lowered LTV ratio may be required, depending on loan purpose, occupancy type, number of units</p>	<ul style="list-style-type: none"> 97% for 1-unit primary residence (applies to purchases if FTHB or refinances if paying off Fannie Mae® mortgage) 95% for 1-4 unit primary residence (purchases and refinances) <p>Lowered LTV ratio may be required, depending on loan purpose, occupancy type, number of units</p>	<ul style="list-style-type: none"> 97% for 1-unit primary residence (applies to purchases if FTHB or refinances if paying off Freddie Mac® mortgage) 95% for 1-4 unit primary residence (purchases and refinances) <p>Lowered LTV ratio may be required, depending on loan purpose, occupancy type, number of units</p>	<ul style="list-style-type: none"> 97% for 1-unit primary residence (applies to purchases if FTHB or refinances if paying off Freddie Mac® mortgage) 95% for 1-4 unit primary residence (purchases and refinances) <p>Lowered LTV ratio may be required, depending on loan purpose, occupancy type, number of units</p>	<ul style="list-style-type: none"> 97% for 1-unit primary residence (applies to purchases if FTHB or refinances if paying off Freddie Mac® mortgage) 95% for 1-4 unit primary residence (purchases and refinances) <p>Lowered LTV ratio may be required, depending on loan purpose, occupancy type, number of units</p>	<ul style="list-style-type: none"> For purchases: 96.5% For refinances: 97.75% for credit scores above 580, or 90% for credit scores between 500 and 579. Maximum 85% allowed for HUD-approved secondary residences <p>Up to 110% of the "subject-to" appraised value may be used to structure loan</p>	<ul style="list-style-type: none"> For purchases: 96.5% For refinances: 97.75% for credit scores above 580, or 90% for credit scores between 500 and 579. Maximum 85% allowed for HUD-approved secondary residences <p>Up to 110% of the "subject-to" appraised value may be used to structure loan</p>	100% plus financed Guarantee Fee	100% plus financed Guarantee Fee	100% plus financed Funding Fee, if applicable
Loan limits	Conventional loan limits	Conventional loan limits	Conventional loan limits	Conventional loan limits	Conventional loan limits	FHA county loan limits	FHA county loan limits	FHFA loan limits	FHFA loan limits	Follow standard VA guidelines
Loan purpose	<ul style="list-style-type: none"> Purchase Limited cash-out refinance 	<ul style="list-style-type: none"> Purchase Limited cash-out refinance 	<ul style="list-style-type: none"> Purchase No cash-out refinance 	<ul style="list-style-type: none"> Purchase No cash-out refinance 	<ul style="list-style-type: none"> Purchase No cash-out refinance 	<ul style="list-style-type: none"> Purchase Rate/term refinance 	<ul style="list-style-type: none"> Purchase Rate/term refinance 	<ul style="list-style-type: none"> Purchase only 	<ul style="list-style-type: none"> Purchase only 	<ul style="list-style-type: none"> Purchase Cash-out refinance
Occupancy types	<ul style="list-style-type: none"> Owner-occupied Second homes allowed (1 unit only) Investment properties allowed (1 unit only) 	<ul style="list-style-type: none"> Owner-occupied Second homes Investment properties 	<ul style="list-style-type: none"> Owner-occupied Second homes allowed (1 unit only) Investment properties allowed (1 unit only) 	<ul style="list-style-type: none"> Owner-occupied Second homes allowed (1 unit only) Investment properties allowed (1 unit only) 	<ul style="list-style-type: none"> Owner-occupied Second homes Investment properties 	<ul style="list-style-type: none"> Owner-occupied only HUD-Approved Secondary Residences 	<ul style="list-style-type: none"> Owner-occupied only HUD-Approved Secondary Residences 	<ul style="list-style-type: none"> Owner-occupied only 	<ul style="list-style-type: none"> Owner-occupied only 	<ul style="list-style-type: none"> Owner-occupied
Units	<ul style="list-style-type: none"> 1-4 units (owner occupied) 1 unit (second homes) 1 unit (investment) 	<ul style="list-style-type: none"> 1-4 units 	<ul style="list-style-type: none"> 1-4 units (owner occupied) 1 unit (second homes) 1 unit (investment) 	<ul style="list-style-type: none"> 1-4 units (owner occupied) 1 unit (second homes) 1 unit (investment) 	<ul style="list-style-type: none"> 1-4 units (owner occupied) 1 unit (second homes) 1 unit (investment) 	<ul style="list-style-type: none"> 1-4 units (owner occupied) 	<ul style="list-style-type: none"> 1-4 units (owner occupied) 	<ul style="list-style-type: none"> Single-family only 	<ul style="list-style-type: none"> Single-family only 	<ul style="list-style-type: none"> 1-4 units (owner occupied)
Appraisal(s)	<ul style="list-style-type: none"> "Subject-to" appraisal required 	<ul style="list-style-type: none"> "Subject-to" appraisal required when energy-efficient improvements are being financed "As-is" appraisal required when only paying off PACE or non-PACE secured or unsecured debt used to finance energy-related improvements 	<ul style="list-style-type: none"> "Subject-to" appraisal required when improvements are being financed "As-is" appraisal required when only paying off existing debt used to finance prior improvements 	<ul style="list-style-type: none"> "Subject-to" appraisal required when improvements are being financed "As-is" appraisal required when only paying off existing debt used to finance prior improvements 	<ul style="list-style-type: none"> "Subject-to" appraisal required when improvements are being financed "As-is" appraisal required when only paying off existing debt used to finance prior improvements 	<ul style="list-style-type: none"> "Subject-to" appraisal required Purchases: "As-is" appraisal is required when needed to comply with HUD's Property Flipping guidelines Refinances: "As-is" appraisal is required when the existing debt on the property and the total renovation costs exceed the after-improved value OR when the homeowner has owned the property less than 12 months (unless inherited or gifted). However, "as-is" appraisals can help reduce cash needed to close on refinances even when a separate "as-is" appraisal is not required 	<ul style="list-style-type: none"> "Subject-to" appraisal required Purchases: "As-is" appraisal is required when needed to comply with HUD's Property Flipping guidelines Refinances: "As-is" appraisal is required when the existing debt on the property and the total renovation costs exceed the after-improved value OR when the homeowner has owned the property less than 12 months (unless inherited or gifted). However, "as-is" appraisals can help reduce cash needed to close on refinances even when a separate "as-is" appraisal is not required 	<ul style="list-style-type: none"> "Subject-to" appraisal required 	<ul style="list-style-type: none"> "Subject-to" appraisal required 	<ul style="list-style-type: none"> "Subject-to" appraisal required
Contingency reserves	<p>Applied to all renovation-related costs including labor, materials, fees, permits, plans and specifications, inspection costs, and other expenses related to the renovation project</p> <ul style="list-style-type: none"> For 1-unit properties, not required by Fannie Mae® but lenders may require For 2-4 units, 10% required Lender may increase to 15%, if appropriate per the scope and scale of renovation work 	<p>Applied to total cost of improvements</p> <ul style="list-style-type: none"> Up to 20% 	<p>Applied to the total renovation costs identified in the renovation contract(s) (i.e., bid amount)</p> <ul style="list-style-type: none"> Not required when renovation costs being financed are exclusively used for the addition or renovation of outdoor structures used for leisure and recreation Otherwise: <ul style="list-style-type: none"> 10% when utilities are operable 15% when utilities are not operable May be increased to no more than 20% at the lender's discretion 	<p>Applied to the total renovation costs identified in the renovation contract(s) (i.e., bid amount)</p> <ul style="list-style-type: none"> Not required, but allowed up to 20% at the lender's discretion 	<p>Not required</p>	<p>Applied to financeable repair and improvement costs and fees</p> <p>For properties with an actual age of less than 30 years:</p> <ul style="list-style-type: none"> 10% to 20% is required if there is evidence of termite damage Otherwise, 0% to 20% at the lender's discretion <p>For properties with an actual age of 30 years or more:</p> <ul style="list-style-type: none"> 15% to 20% is required when utilities are not operable per the Consultant's Work Write-Up Otherwise, 10% to 20% 	<p>Applied to financeable repair and improvement costs and fees</p> <ul style="list-style-type: none"> Not required, but allowed up to 20% at the lender's discretion 	<p>Applied to the cost of construction (including labor, materials, and soft costs)</p> <ul style="list-style-type: none"> 10% when utilities are on 15% when utilities are off 	<p>Applied to the cost of construction (including labor, materials, and soft costs)</p> <ul style="list-style-type: none"> 10% when utilities are on 15% when utilities are off 	<p>Not required</p>

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Contingency reserves usage	<ul style="list-style-type: none"> Required, necessary, and unforeseen repairs or deficiencies discovered during renovation Additional improvements or repairs if/when original work has been completed and funds are used to actually improve real property Other conditions may apply 	<ul style="list-style-type: none"> Unused funds must be applied as a principal reduction Value of sweat equity and Do It Yourself, or DIY, repairs is not reimbursable 	<ul style="list-style-type: none"> Complete additional renovations, if desired <ul style="list-style-type: none"> Reimburse homeowner, if contingency reserve was self-funded Disburse funds to homeowner, provided the total amount at closing and from the unused funds does not exceed the maximum amount allowed for no cash-out refinances Remaining funds must be used to reduce the unpaid balance of the mortgage 	<ul style="list-style-type: none"> Complete additional renovations, if desired <ul style="list-style-type: none"> Reimburse homeowner, if contingency reserve was self-funded Disburse funds to homeowner, provided the total amount at closing and from the unused funds does not exceed the maximum amount allowed for no cash-out refinances Remaining funds must be used to reduce the unpaid balance of the mortgage 	At lender's discretion, since not required	<ul style="list-style-type: none"> Health and safety first May be used for additional improvements as long as mortgage balance will not exceed 95% of the after-improved value Remaining funds may be reimbursed to homeowner, if contingency reserve was self-funded Otherwise, apply towards principal balance of mortgage 	<ul style="list-style-type: none"> May only be used to solely pay for the proposed repairs or improvements and any unforeseen items related to these repair items Remaining funds may be reimbursed to homeowner, if contingency reserve was self-funded Otherwise, apply towards principal balance of mortgage 	<ul style="list-style-type: none"> Excess funds from the contingency reserve account, if any, are applied as principal curtailment 	<ul style="list-style-type: none"> Excess funds from the contingency reserve account, if any, are applied as principal curtailment 	N/A
Mortgage payment reserves	Allowed up to 6 months if/when home is uninhabitable during renovation	N/A	Allowed up to 6 months if/when home is uninhabitable during renovation	Allowed up to 6 months if/when home is uninhabitable during renovation	N/A	Allowed up to 12 months if/when home is uninhabitable during renovation (conditions apply for multi-units)	Not allowed	Allowed up to 10 months if/when home is uninhabitable during renovation	Not allowed	Not allowed
Draw process	<ul style="list-style-type: none"> Up to 50% of total renovation costs may be disbursed at closing, including materials, permits, architectural and design services, or borrower deposits Number of draws determined by contractor Funds are disbursed after work has been completed and inspected by appraiser 	<ul style="list-style-type: none"> Up to 50% of total planned renovation costs may be disbursed at closing, including permits, architect fees, and design or planning expenses incurred during initial part of project Number of draws determined by contractor Funds are disbursed after work has been completed and inspected by appraiser 	<p>Disbursed at closing:</p> <ul style="list-style-type: none"> Up to 50% of materials costs Payment in full paid to a home improvement store <p>Remaining draw process:</p> <ul style="list-style-type: none"> At lender's discretion Funds are disbursed after work has been completed and inspected by appraiser 	<p>Disbursed at closing:</p> <ul style="list-style-type: none"> Up to 50% of materials costs Payment in full paid to a home improvement store <p>Remaining draw process:</p> <ul style="list-style-type: none"> At lender's discretion Funds are disbursed after work has been completed and inspected by appraiser 	At lender's discretion	<p>Disbursed at closing:</p> <ul style="list-style-type: none"> Up to 50% of materials costs for items not yet paid for to be delivered at a later date Up to 100% of materials costs for items prepaid by borrower or contractor to be delivered at a later date <p>Remaining draw process:</p> <ul style="list-style-type: none"> Up to 5 draws allowed (10% holdback applied to progress draws) Payments are made after 203(k) Consultant inspects and approves the work 	<ul style="list-style-type: none"> Up to 50% of labor and materials only when contractor is unwilling or unable to defer receipt of payment until completion of the work, or the payment represents the cost of materials incurred prior to construction (statement from contractor required) Remainder of funds disbursed when work has been completed If total repair costs are less than or equal to \$15,000, lender is not required to perform or have others perform inspections of completed work If total repair costs exceed \$15,000, lender must perform an inspection or obtain an inspection by a third-party 	<ul style="list-style-type: none"> Initial disbursement allowed (USDA doesn't provide specific instructions, so this may vary lender-to-lender) Number of draws determined by contractor Funds are disbursed after work has been completed and inspected by Consultant or appraiser 	<ul style="list-style-type: none"> Initial disbursement allowed (USDA doesn't provide specific instructions, so this may vary lender-to-lender) Number of draws determined by contractor Funds are disbursed after work has been completed and inspected by third-party inspector or appraiser 	<ul style="list-style-type: none"> At lender's discretion Funds are disbursed after work has been completed Compliance inspections or lender certifications are required For improvements exceeding \$3,500, a Notice Of Value from a VA appraiser For improvements \$3,500 or less, a statement of reasonable value from a VA appraiser may be used
Completion timeline	<ul style="list-style-type: none"> Must be completed within 15 months of closing 	<ul style="list-style-type: none"> Must be completed within 180 days from Note Date 	<ul style="list-style-type: none"> Must be completed within 450 days of Note Date 	<ul style="list-style-type: none"> Must be completed within 180 days of Note Date 	<ul style="list-style-type: none"> Must be completed no more than 180 days after Note Date 	<ul style="list-style-type: none"> Must be completed within 12 months of loan funding 	<ul style="list-style-type: none"> Must be completed within 9 months of loan funding 	<ul style="list-style-type: none"> Typically should not exceed 10 months, but may be extended at the lender's discretion 	<ul style="list-style-type: none"> Typically should not exceed 10 months, but may be extended at the lender's discretion 	Not specified by VA
Cash back at closing	Not allowed	Standard cash back allowance of the greater of 1% of the loan amount or \$2,000	Standard cash back allowance of the greater of 1% of the loan amount or \$2,000	Standard cash back allowance of the greater of 1% of the loan amount or \$2,000	Standard cash back allowance of the greater of 1% of the loan amount or \$2,000	Not allowed	Not allowed	Not allowed	Not allowed	Allowed
Agency requires special lender approval	Yes	No	Yes	No	No	No	No	No, but lender must self-certify they have staff with 2 or more years' experience making and administering construction loans, or employ a construction loan management company with 2 or more years' experience as their agent	No, but lender must self-certify they have staff with 2 or more years' experience making and administering construction loans, or employ a construction loan management company with 2 or more years' experience as their agent	No
Allowed in combination with...	<ul style="list-style-type: none"> High balance HomeReady® Down Payment Assistance 	<ul style="list-style-type: none"> High balance HomeReady® Down Payment Assistance 	<ul style="list-style-type: none"> GreenCHOICE® Super conforming HomePossible® HomeOne® HFA Advantage® Down Payment Assistance 	<ul style="list-style-type: none"> GreenCHOICE® Super conforming HomePossible® HomeOne® HFA Advantage® Down Payment Assistance 	<ul style="list-style-type: none"> CHOICERenovation® CHOICEReno eXpress® Super conforming HomePossible® HomeOne® HFA Advantage® Down Payment Assistance 	<ul style="list-style-type: none"> \$100 Down HUD REO Good Neighbor Next Door Energy Efficient Mortgages 203(h) for Disaster Victims Solar and Wind Technologies Down Payment Assistance 	<ul style="list-style-type: none"> \$100 Down HUD REO Good Neighbor Next Door Energy Efficient Mortgages 203(h) for Disaster Victims Solar and Wind Technologies Down Payment Assistance 	<ul style="list-style-type: none"> Down Payment Assistance 	<ul style="list-style-type: none"> Down Payment Assistance 	<ul style="list-style-type: none"> Down Payment Assistance