

FHA Standard 203(k)

Renovations + Upgrades



The standard 203(k) program is designed for more extensive construction/rehab projects and allows a borrower to obtain a single loan to: Rehabilitate an existing 1-4 unit structure, which will be used primarily for residential purposes. Rehabilitate such a structure and refinance outstanding indebtedness on the structure and the Real Property on which the structure is located, or Purchase and rehabilitate a structure and purchase the Real Property on which the structure is located.

Eligible Improvements

Eligible improvements include painting, room additions, decks, etc. even if the home does not require other improvements. All health, safety, and energy conservation items must be addressed prior to completing general home improvements. Items eligible for 203(k) funds include, but are not limited to:

- Change to improve function/modernization (bath/kitchen remodel)
- Converting single family to 2, 3- or 4-unit dwelling or from a multi-family to a 1-4 unit
- Elimination of health/safety hazards (lead-based paint, mold, etc.) Follow state and local government requirements where property is located for removal and testing
- Enhancing accessibility for a disabled person
- Installation of new well and/or septic system
- Interior/exterior painting
- Major landscaping that adds permanent value to the property and/or corrects any fire, health or safety issue
- Major structural alterations/additions (room/garage additions, finish attics/basements, repair of termite damage)
- Repair/replace flooring, appliances
- Repair/replace roofing, gutters and down spouts
- Repair/replacement/upgrade of plumbing, heating, air conditioning and electrical systems
- Weatherization including storm windows/doors, insulation, weather stripping
- Well/septic repair/replacement work. Must be completed prior to beginning other repairs
- Window and door replacement.

Ineligible Improvements

Luxury items and improvements that do not become part of the real property are not eligible as a cost of rehabilitation. Examples include, but are not limited to:

- Additions or alterations to allow for commercial use
- Barbeque pits, outdoor fireplaces or hearths
- Exterior hot tubs, saunas, spas or whirlpool baths
- Photo murals
- Swimming pool installation
- Television satellite dishes/antennas
- Tennis courts
- Tree trimming/removal



Eric L. Frazier MBA

Senior Vice President – National Sales

NMLS #461807

eric.frazier@bancorp.com

Direct: 714-475-8629

apply online at <https://www.bancorp.com/eric-frazier>



**Residential
Bancorp**

Your Mortgage Team

1556 Fitzgerald Drive
Pinole, CA 94654
Branch NMLS #10036



©2023 Mission Loans, LLC - Corporate NMLS ID #210853 located 5 Park Plaza, Ste 900, Irvine, CA 92614. All rights reserved. Doing business in the State of California as Residential Bancorp. Licensed by the California Department of Financial Protection and Innovation under the California Residential Mortgage Lending Act, license #4131217. For all licenses, visit <http://www.nmlsconsumeraccess.org/> or <https://www.bancorp.com/state-licensing/>. Residential Bancorp strives for compliance with all applicable state laws and federal regulations pertaining to mortgage lending, advertising, and marketing laws. THIS PRODUCT OR SERVICE HAS NOT BEEN APPROVED OR ENDORSED BY ANY GOVERNMENTAL AGENCY, AND THIS OFFER IS NOT BEING MADE BY AN AGENCY OF THE GOVERNMENT. All applications are subject to underwriting guidelines and approval. This does not constitute an offer to lend. Not all applicants will qualify for all loan products offered. All loan programs, terms and interest rates are subject to change and/or discontinuance without advance notice. Equal Housing Opportunity.