



Focusing On What Can Be Done - FHA Loans

Federal Housing Administration (FHA) loans continue to take more prominent roles in meeting the home financing needs of consumers. Here are some facts about programs from the Federal Housing Administration that you should be aware of.

For HOMEBUYERS, FHA loans allow a home purchase with as little with 3.5% down, even if one has less than perfect credit. At present, FHA also allows for seller-paid closing costs and non-occupant co-borrowers can assist with income qualification. In connection with seller-paid closing costs; if a seller agrees to cover the buyer's closing costs, homebuyers can acquire a home with an up-front investment of only 3.5% down.

For many existing HOMEOWNERS looking to refinance, FHA has become the only game in town. FHA allows a homeowner to refinance up to 97.75% of value if they are not looking for cash-out. For those looking for cash-out (let's say for debt consolidation) an FHA loan allows loan amounts up to 85% of value.

For SENIORS, 62 years of age or older, a REVERSE MORTGAGE may be the perfect solution. What really makes this program special: there are no income requirements, no minimum credit scores and NO MONTHLY PAYMENTS! It can even be used to get a senior homeowner out of foreclosure.

Source: Bob Herrera for Loan Resource Partners (02-26-2010)