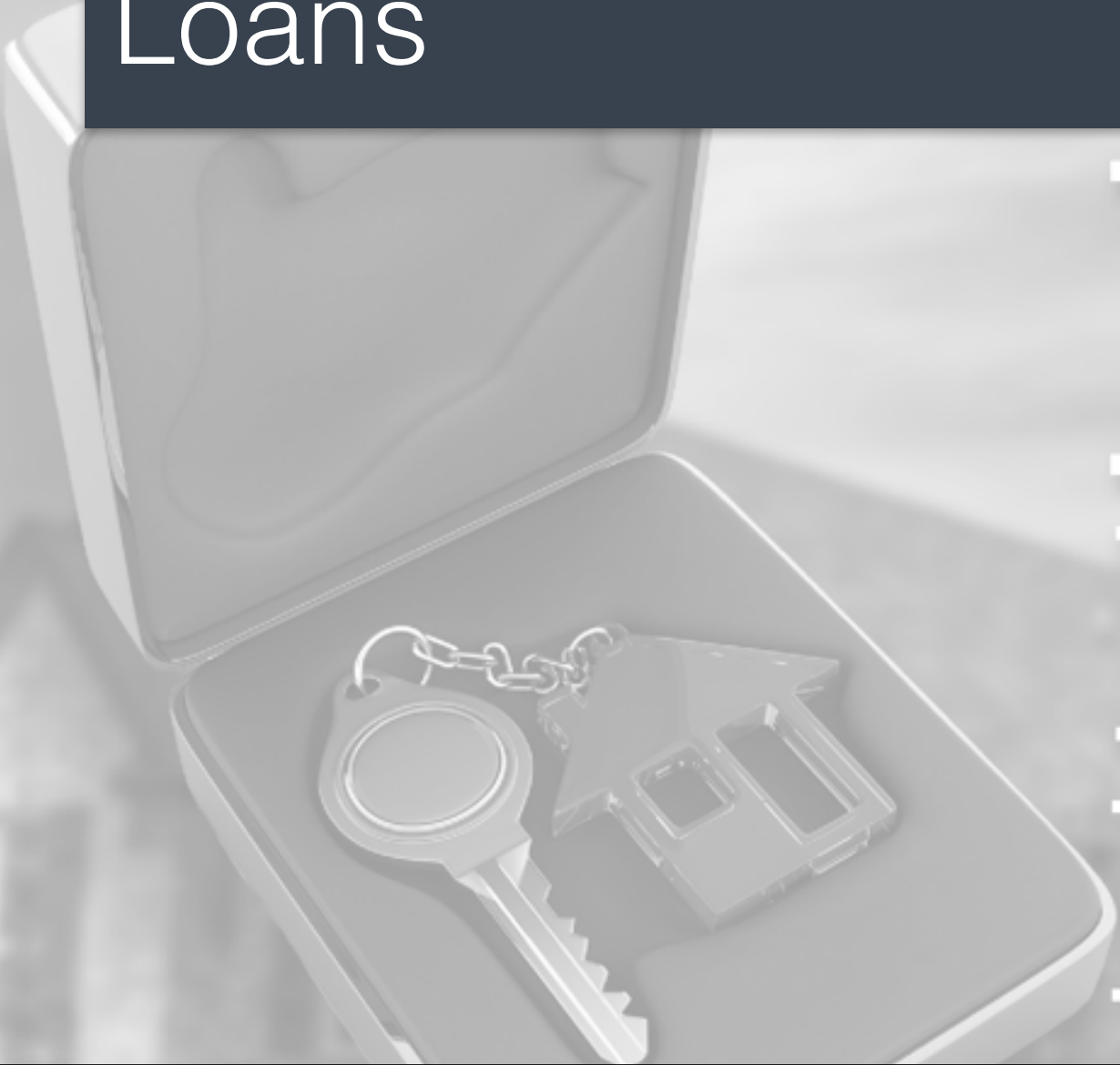


FHA Bad Credit Home Purchase Loans

A grayscale image of an open key case containing a keychain with a house-shaped key and a circular key. The background is a blurred cityscape.

**FHA
HOME
LOAN?**

FICO Score

580 = **3.5 %**
or Higher FICO Score Down Payment

Lower Than
580 = **10 %**
FICO Score Down Payment

Home Equity Conversion Mortgage (HECM) Loan

- Credit exceptions
- Allows the borrower to access a portion of their home equity and convert it into tax-free retirement funds
- The loan typically becomes due when the last borrower permanently leave the home
- Provided the home is sold to repay the loan, the borrower will never owe more than the appraised value of the home

Benefits

- Does the borrower have to make monthly mortgage payments?
- No. Unlike a traditional home mortgage or equity loan, the borrower do not have to make monthly loan payments and any existing mortgage will be paid off using the loan proceeds
- Borrower must continue to pay their property taxes and homeowners' insurance

HOPE For Homeowners

- The HOPE for Homeowners act is designed to prevent qualified home owners from defaulting on their loans, and avert foreclosure
- This is done through refinancing into affordable, fixed-rate mortgages

FHA Counseling

- Those with past credit problems can often improve their scores over time and become eligible even under the new updated FHA minimum credit score requirements
- The first step is to request help from the FHA for credit counseling or first time homebuyer counseling

A grayscale photograph of three people in an office. On the left, a woman is seen from the back, looking towards the center. In the center, a man is smiling and looking at a woman on the right. The woman on the right is looking down at a document on a table, with a pen in her hand. A calculator is also visible on the table. A large, dark rectangular box with white text is overlaid in the center of the image.

What about having a co-signer?