Federal Housing Administration Loan (FHA)

A government insured loan that offers low down-payment requirements and flexible credit requirements.

An FHA loan is a U.S. Federal Housing Administration insured government loan. These loans are designed for borrowers with low to moderate incomes looking for a lower down payment option on a purchase and those with lower credit scores.

\*The services and products advertised are not approved or endorsed by HUD, USDA, the Department of Veterans Affairs, or any government agency.

* Purchase and refinance options available
* Down payments as low as 3.5%
* Down payments can be gifted with required source verification
* Seller can contribute up to 6% of the purchase price towards the buyer’s closing cost

## ****FAQ’s****

### **What is the income limit for an FHA loan?**

A lender will look at a debt to income ratio. FHA indicates this to be 43% or less. This means that your combined debts should be no more than 43% of your gross monthly income. There are exceptions and a lender can verify.

### **How does an FHA loan work?**

An FHA loan is insured by the Federal Housing Administration (FHA). This loan helps borrowers who need lower down payments or who have lower credit scores. Borrowers can qualify for an FHA loan with a down payment as little as 3.5% based on their credit score. A lender can verify credit scores.

### **Do you have to pay closing costs on a FHA loan?**

Sellers can pay closing costs up to six percent of the purchase price. This can include lender fees, property taxes, homeowners insurance, escrow fees and title insurance. A lender can provide more information and these can vary.