

# **First Florida Financial Group, LLC**

**First Florida Financial Group, LLC** is a Correspondent Mortgage Lender. Our corporate office is located in Fort Myers, Florida and we specialize in providing Commercial and Residential loans. We have FHA and VA government backed loans as well as access to over one-hundred of private and national lenders, all with the very competitive rates.

## **“How To Sell REOs That Other Real Estate Agents Can’t”**

**By using FHA Streamline (K) you can get the edge on your competition!  
The FHA Streamline (K) can be used for:**

- Cosmetic repairs only
- Repair/renovation costs up to \$35,000
- Repairs greater than \$15,000 require a final inspection

## **Repairs/Replacements Covered Under This Program:**

- Roofs & Gutters
- Appliances, Washer/Driers
- Dish Washer, Microwave Ovens
- Flooring
- Heating and Air conditioning
- Plumbing & Electrical systems
- Kitchen & Bath remodeling
- Painting both Interior & Exterior
- Windows & Doors
- Septic System
- Patios & Porches

**Eddie Hoskins  
President/CEO  
First Florida Financial Group, LLC  
Fort Myers, FL 33919  
Eddie@FirstFLFinancial.com**

**Cell 239-980-1022 Office: 239-206-1115**

**[www.FirstFLFinancial.com](http://www.FirstFLFinancial.com)**

## The Process

*This describes a typical step-by-step process from application to rehab funding.*

1. Homebuyer gets pre-approved by us.
2. Realtor helps homebuyer locate the property.
3. After the property is located, the homebuyer and their real estate professional should make a marketability analysis prior to signing the sales contract.
4. The following should be determined:
  - 1) The extent of the rehabilitation work required.
  - 2) Rough cost estimate of the work.
  - 3) The expected market value of the property after completion of the work. Note: The borrower does not want to spend money for appraisals and repair specifications (plans), then discover that the value of the property will be less than the purchase price (or existing indebtedness), plus the cost of improvements.
  - 4) Remember if doing a ZERO down payment loan, check that the value will also support the 3% down payment assistances and 6% seller concessions.
5. Sales Contract is executed. A provision should be included in the sales contract that the buyer has applied for Section 203(k) financing, and that the contract is contingent upon loan approval and buyer's acceptance of additional required improvements as determined by HUD or the lender.
6. Homebuyer Prepares Work Write-up and Cost Estimate. A consultant can help the buyer prepare the exhibits to speed up the loan process.
7. Appraiser Performs the Appraisal.
8. Lender Issues Firm Commitment. If the application is found acceptable, the firm commitment is issued to the borrower.
9. Mortgage Loan Closing. After issuance of the firm commitment, the lender prepares for the closing of the mortgage. This includes the preparation of the Rehabilitation Loan Agreement. The Agreement is executed by the borrower and the lender in order to establish the conditions under which the lender will release funds from the Rehabilitation Escrow Account. Following closing, the borrower is required to begin making mortgage payments on the entire principal amount for the mortgage, including the amount in the Rehabilitation Escrow Account that has not yet been disbursed.
10. Rehabilitation Construction Begins. At loan closing, the mortgage proceeds will be disbursed to pay off the seller of the existing property and the Rehabilitation Escrow Account will be established. Construction may begin. The homeowner has up to six (6) months to complete the work depending on the extent of work to be completed. (Lenders may require less than six months.)
11. Releases from Rehabilitation Escrow Account. As construction progresses, funds are released after the work is inspected by a HUD approved inspector. A maximum of two draw inspections plus a final inspection are allowed. The inspector reviews the Draw Request (form HUD- 9746-A) that is prepared by the borrower and contractor. If the cost of rehabilitation exceeds \$15,000, additional draw inspections are authorized
12. Completion of Work/Final Inspection. When all work is complete the borrower provides a letter indicating that all work is satisfactorily complete and ready for final inspection. If the HUD-approved inspector agrees, the final draw may be released, minus the required 10 percent holdback. If there are unused contingency funds or mortgage payment reserves in the Account, the lender must apply the funds to prepay the mortgage principal.