

- Work already started is not eligible under 203(k) but may be financed under 203(b).
- Under 203(k), luxury or unessential items cannot be financed. Such items may be included in 203(b) refinancing if they add value to the property. Changes financed with either a Title I or a 203(k) loan must be essential to the livability and usefulness of the home. Changes financed with the 203(b) loan must add to the value of the property.

The tables on pages 6 and 7 outline various payment features of Title I loans, 203(k) loans, and 203(b) refinancing loans.

Equal Opportunity in Housing

FHA regulations under the President's Executive Order 11063 of November 20, 1962, require that housing provided with FHA assistance be made available without discrimination because of race, color, creed, or national origin.

The regulations prohibit any person, firm, or group receiving the benefits of FHA mortgage insurance or doing business with FHA from practicing such discrimination in lending or in the sale, rental, or other disposition of the property. Violations may result in discontinuation of FHA assistance.

One- or two-family dwellings which have been occupied by the owner are exempt from the regulations; but if the purchaser of such a home wishes to finance it with an FHA-insured mortgage the lender may not refuse to make the loan because of the buyer's race, color, creed, or national origin.