FHA LOAN ESSENTIALS

STANDARD FHA PURCHASE

Quick reference for Mortgage Loan Officers | Principal Residence



1 FRAME FHA ACCURATELY

Say: *"We can explore an FHA-insured option, then verify the requirements for your file."*

Explain: An FHA-approved lender makes the loan; FHA insures eligible loans. [1]

2 CHECK THE FACTS BEFORE FIT

Ask: *"How do you plan to use the home?"*

Occupancy: Document actual intended use. [1]

File: Verify credit, income, debts, assets, property. [2]

Limit: Check county, units, case-number year. [4]

3 EXPLAIN THE COSTS CATEGORIES

Never imply approval or total cash needed. Verify each item below. [1–3]

DOWN PAYMENT	CLOSING ITEMS	MORTGAGE INSURANCE
As low as 3.5% minimum investment [1, 2]	Closing costs, prepaids, credits per lender estimate [2]	Upfront + annual MIP paid monthly; verify terms [3]

4 CONFIRM THE NEXT STOP

Ask: *"Which cost or requirement should I explain again?"*

Record: Goals, occupancy, open items, documents, follow-up.

Escalate: Route uncertain fit or policy questions to underwriting. Never promise approval.

VERIFY BEFORE QUOTING

Check current Handbook 4000.1, applicable Mortgagee Letters, effective dates, and lender requirements. Scope excludes detailed underwriting, HECM, rehabilitation, and refinance programs.

RESOURCES

[1] HUD FHA factsheet

[2] Handbook 4000.1

[3] HUD MIP FAQ

[4] 2026 loan limits