

FHA Streamline Refinance

Product Matrix

HUD Handbook: https://www.hud.gov/program_offices/housing/sfh/handbook_4000-1

HUD Section of the Act: 203(b)

Primary Residence

# of Units	LTV / CLTV ²	Minimum Credit Score ¹
1-4	LTV is based on the original value of the property. There is no CLTV. This information is on the refinance authorization obtained from FHA connection. ²	600 ¹
¹ 620 minimum credit score required for Manufactured Homes. See Manufactured Home section		
² LTV/CLTV for Manufactured Homes is 105%/125%. (LTV is based on base loan amount without MIP)		
MIP	<ul style="list-style-type: none"> Monthly MIP and LTV is calculated by using the original value of the property and may be obtained/verified via FHA connection and refinance authorization 	
Loan Limits	<ul style="list-style-type: none"> FHA Streamlines are not subject to County Limits 	
Appraisal/AVM	<ul style="list-style-type: none"> Not required for stick-built properties. Manufactured homes requires appraisal. See Manufactured Home section. 	
Credit	<ul style="list-style-type: none"> At least 1 credit score for each borrower is required. 	
	<ul style="list-style-type: none"> A tri merge-credit report; or a mortgage only credit report with a credit score; or A single-bureau soft-pull that includes a complete mortgage payment history with trended data for all mortgages and a credit score. 	
Payment History	<ul style="list-style-type: none"> The borrower may not have more than 1x30 in past 12 months and 0x30 within the preceding 6 months. 2-4 unit properties located in New Jersey require 0 x 30 for a full 12 months. 	
AUS	<ul style="list-style-type: none"> Manual underwriting only. An AUS is not to be run. 	
Ratios	<ul style="list-style-type: none"> Not calculated unless credit qualifying 	
Maximum Term	The maximum term is the lesser of: <ul style="list-style-type: none"> ▶ 30 years, or ▶ 12 years beyond the remaining term of the existing loan 	
Occupancy	<ul style="list-style-type: none"> Verification of occupancy is required in accordance with FHA guidelines. 	
Maximum Mortgage	Maximum mortgage amount the lesser of: <ul style="list-style-type: none"> the outstanding principal balance of the existing Mortgage as of the month prior to the mortgage Disbursement; plus <ul style="list-style-type: none"> - interest due on the existing Mortgage; and - MIP due on the existing Mortgage; or the original principal balance of the existing Mortgage (Including financed UFMIP) Minus any refund of UFMIP.	
Borrowers	<ul style="list-style-type: none"> Borrowers can be added without credit qualifying as long as the existing borrowers remain on the note and deed. Borrowers may be removed from the title and new mortgage as long as: <ul style="list-style-type: none"> ▶ at least one borrower from the existing mortgage remains as a borrower, and ▶ the mortgage is fully credit qualified in accordance with FHA manual underwriting guidelines with the exception of LTV and appraisal requirements. 	
Employment / Income	<ul style="list-style-type: none"> 2 year Employment must be reflected on the application. Income should not be included. Salaried borrower's require a Verbal VOE Self-employed borrowers require verification from of the business through a 3rd party source Retirement/social security requires most recent bank statement or award letter. 	
Assets	<ul style="list-style-type: none"> Funds to close must be documented in accordance with FHA Guidelines 	



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Cash Back	<ul style="list-style-type: none"> • Maximum cash back is \$500.00
Seasoning Requirements	<p>On the date of the FHA case number assignment:</p> <ul style="list-style-type: none"> • the Borrower must have made at least six payments on the Mortgage that is being refinanced; • at least six full months must have passed since the first payment due date of the Mortgage that is being refinanced; • at least 210 Days must have passed from the closing date of the Mortgage that is being refinanced; <p>For the refinance of a loan that has been modified, the Note date of the new refinance mortgage must be on or after the later of:</p> <ul style="list-style-type: none"> ▶ The date that is 210 days after the date on which the first modified monthly payment was due on the mortgage being refinanced, and ▶ The date on which six (6) modified payments have been made on the mortgage being refinanced
Net Tangible Benefit	<p>Net Tangible Benefit is a reduced combined rate, a reduced term, and/or a change from an ARM to a fixed rate mortgage that results in a financial benefit to the borrower ("Combined rate refers to the interest rate on the Mortgage plus the MIP rate".)</p> <ul style="list-style-type: none"> • Fixed Rate to Fixed Rate: the new combined rate is at least .5% below the prior combined rate • ARM to Fixed rate: New combined rate is no more than 2% above the prior combined rate • Reduction in term: <ul style="list-style-type: none"> ▶ the remaining term of the existing loan is reduced by a minimum of 3 years; and ▶ the new interest rate does not exceed the current interest rate; and ▶ the new combined principal, interest and MIP payment does not exceed the combined principal, interest and MIP payment of the refinanced mortgage by more than \$50. <p>See Hud Handbook for complete details on the Net Tangible Benefit for Streamline Refinances</p>

Manufactured Homes

Appraisal Requirements:

- Minimum Conventional form #2055 required. Property condition must be average or better. Appraisal fee to be disclosed.
- Maximum LTV/CLTV 105%/125%

Property Eligibility:

- Multi-width, single family with a minimum of 700 square feet.
- Must be attached to a permanent foundation and legally classified as real property
- Fee simple ownership only

Foundation Certification:

- Any alterations or additions permanently attached to the subject must be addressed in the foundation certificate.
- May provide the certification from original loan subject to the above
- Affidavit of affixation, or state equivalent document, required
- Prelim to confirm the subject is a permanently affixed manufactured home
- Tax Sheet to confirm subject is taxed as land plus improvements.
- Subject must be permanently affixed to the foundation for a minimum of 12 months prior to case number assignment
- ALTA Endorsement 7, or 7.1, or 7.2, or equivalent state form required

Ineligible Property Types:

- Leaseholds / co-ops
- Single wide's