FHA Streamline Refinance Program

Transaction Type	Occupancy	Units	Loan Amount[1]	LTV / CLTV	Credit Score
Streamline Refinance	Owner-occupied	1-4	FHA Limits	per FHA	°580 Credit Qualifying °600 Non-Credit Qualifying
Streamline Refinance	Second Home[2]	1-4			
Streamline Refinance	Investment Property[3]	1			

Reference:

1. Refer to FHA Mortgage Limits by county.
2. HUD approved Secondary Residence.
3. Investment transactions are eligible with single family residence only.

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Refer to the FHA Streamline Program Guidelines for any item not addressed by this matrix.

All Planet overlays are notated in bold, light blue text and footnote "O".

Appraisals	• Not required on Streamline mortgages.
Assets	• Credit Qualifying: Bank statements or VOD; • Non-Credit Qualifying: Not required unless assets are required for closing.
AUS	• Not applicable. • All Streamlines are manually underwritten. • Escrow/Impound account required on all loans. • Minimum loan amount : °**$40,000**

Bankruptcy	• Credit qualifying, the following requirements applies:
	  • Chapter 7 & 11 discharged 2 years; Chapter 13 discharged 2 years or dismissed 2 years
	  • Borrower must have re-established and/or re-affirmed credit in all cases
	  • Letter of explanation required.

Borrower Benefits	• All Streamline transactions must have a net tangible benefit to the borrower. Refer to program guidelines for complete details.
CCC's	• Must be completed 1year - Credit Qualifying only.
Case Numbers	• Case numbers > 6 months must be canceled, and a new case number obtained when there has been no activity during the 6 months the case number was open.
Cash to Borrower	• Maximum cashback to the borrower is $500.00 ($0.00 in Texas).

Collections/Charge-offs/ Judgments	• Credit Qualifying:
	  • Collections/Charge-offs:
	  • Cumulative of all borrowers; < $2,000 no action required
	  • ≥ $2,000 payoff prior to/ or at closing
	  • The debt must be included in the DTI calculation using either the required payment under an established payment plan or 5% of the outstanding balance.
	  • Judgments must be paid off or in a repayment plan with a minimum of 3 months payments paid as agreed.
	• Refer to the Planet Seller Guide for additional requirements.

Credit Score/Report	• Credit qualifying: All borrowers must have a valid credit score. ° **Minimum 580 FICO** • Non-credit qualifying: Mortgage only credit report with FICO scores is required for the subject property. ° **Minimum 600 FICO** • Soft pull credit reports are allowed if they include a credit score and a mortgage payment history • Conforming loan limits only • High Balance transactions not permitted
DTI	• Non-Credit Qualifying Streamline Refinance: DTI calculation is not required • Credit Qualifying Streamline Refinance: Maximum DTI of 43% applies

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Employment – Credit Qualifying	• Complete 2 years employment history; VVOE 10 days from date of note (reverse look up or 411 Directory as part of VVOE) • Self-employed must have valid third-party verification (CPA, Business License) and reverse lookup or 411 Directory.
Foreclosure	• Credit Qualifying only. • None in last 3 years. • Letter of explanation required. • No mortgage/rental or installment late payments allowed after foreclosure.
HPML	• Refer to the Higher-Priced Mortgage Loans topic in Chapter 2 – Compliance for detailed requirements regarding HPML.

Income	• **Credit Qualifying:**
	  • Wage Earners = current 30 days paystub with YTD earnings and most recent 2 years W-2's
	  • Self-employed = Tax returns that include minimum 2 years self-employed income.
	• IRS Transcripts required per AUS findings or in lieu of W-2 or tax returns.

LDP/SAM	• The following parties must be checked against HUD's LDP and SAM Exclusionary Lists:
	  • Borrowers • Underwriters • Settlement/Escrow Officers • Title/ Title Officer
	  • Loan officers • Lender • Closing Attorney
	  • Processors • Sellers • Appraisal Company/ Appraiser (if applicable)

Maximum Mortgage Calculation	• Primary Residence & Secondary Residences:
	  • The lesser of unpaid principal balance of the existing mortgage as of the month prior to mortgage disbursement, plus any interest and MIP due on the existing mortgage
	  • The original principal balance of the existing mortgage (including financed, UFMIP) less any refund of UFMIP.
	• Investment Properties:
	  • The outstanding principal balance of the existing Mortgage as of the month prior to mortgage Disbursement
	  • The original principal balance of the existing Mortgage (including financed UFMIP); less any refund of UFMIP.

Mortgage Payment History	• Credit Qualifying/Non-credit qualifying: 1x30 for previous 6 months; All secured mortgage payments must have been made within the month due for the month prior to mortgage disbursement. Refer to the HUD Handbook 4000.1 for complete refinance details. • Credit Qualifying: Payments for properties with < 6 months payment history must be paid within the month due; Properties with > 6 months payment history must be paid for 6 months prior to case assignment date. • Non-Credit Qualifying: All payments must have been made within the month due for six (6) months prior to case number assignment date.

Mortgage Seasoning	• On the date of the FHA case number assignment:
	  • The Borrower must have made at least six payments on the FHA insured Mortgage that is being refinanced (where the FHA insured Mortgage has been modified, the Borrower must have made at least six payments under the modification agreement).
	  • 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.
	  • If the Borrower assumed the Mortgage that is being refinanced, they must have made six payments since the time of assumption.
	• **ºThe following GNMA mortgage seasoning requirements must be met:**
	  • **ºThe borrower made at least six consecutive monthly payments on the loan being refinanced, referred to hereinafter as the Initial Loan, beginning with the payment made on the first payment due date; and**
	  • **ºThe first payment due date of the refinance loan occurs no earlier than 210 days after the first payment due date of the Initial Loan.**

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Products	• Fixed Rate: 15, 30-year term
	• ARM: 3/1 and 5/1 1-Year CMT index
	  • Caps: 1/1/5
	  • Margin: 2.00%
	  • Floor: 2.00% .
	• Loans must be compliance with HUD QM/Planet guidelines, meet the Safe Harbor/Rebuttable Presumption provisions and pass points and fees test, as applicable.
	• HUD-approved Secondary Residences and Investment properties:

Reserves	• Credit Qualifying: 1-2 units require 1-month PITI; 3-4 units require 3 months PITI • Non-Credit Qualifying: Not required.
Subordinate Financing	• Existing subordinate financing may remain in place but must re-subordinate to the new mortgage.
Temporary Buydown	• **[O] Not Permitted**

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