



## FHA Non-Credit Qualifying/Credit Qualifying Streamline Refinance Fully Amortizing Standard Loan Amounts

### PRODUCT MATRIX

FHA Guidelines for FHA Case Number on or after September 14, 2016

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/administration/hudclips/handbooks/hsgb](http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips/handbooks/hsgb)

#### HUD Section of Act and ADP Codes

Section	Description
203(b)	Basic Home Mortgage Insurance

#### Primary Residence & Investment Properties

Transaction Type	# of Units <sup>1</sup>	LTV/CLTV	Minimum Credit Score
No Credit Qualifying Streamline refinance WITHOUT an appraisal	1-4 <sup>1</sup>	97.75%/N/A	620

#### Primary Residence & Investment Properties

Transaction Type	# of Units <sup>1</sup>	LTV/CLTV	Minimum Credit Score
Credit Qualifying Streamline <sup>475</sup> refinance WITHOUT an appraisal	1-4 <sup>1</sup>	97.75%/N/A	620

<sup>1</sup> In New Jersey 2 to 4 unit properties are not eligible

#### For refinance of previous Mortgage endorsed on or before May 31, 2009

UFMIP: 1(bps) (.01%) All Mortgages

#### All Mortgages Terms

Base Loan Amount	LTV	Annual MIP (bps)	Duration
All	≤90.00%	55	11 years
	>90.00%	55	Mortgage Term

**For Mortgages where FHA does not require an appraisal, the value from the previous Mortgage is used to calculate the LTV.**

- For all mortgages regardless of their amortization terms, any mortgage involving an original principal obligation (excluding financed Up-Front MIP (UFMIP)) less than or equal to 90 percent LTV, the annual MIP will be assessed until the end of the mortgage term or for the first 11 years of the mortgage term, whichever occurs first.
- For any mortgage involving an original principal obligation (excluding financed UFMIP) with an LTV greater than 90 percent, FHA will assess the annual MIP until the end of the mortgage term or for the first 30 years of the term, whichever occurs first.

Annual MIP is determined by multiplying the base loan amount by the appropriate Annual Premium factor

Since the Annual MIP is collected in monthly installments, divide the resulting number by 12 to obtain the monthly premium. This figure is included in the proposed monthly housing expense and qualifying ratios.

#### Maximum Loan Amounts (Continental US)

for Case Number Assigned on or after January 1, 2017

FHA Streamline Mortgages are not subject to the County limits, however must follow FHA Streamline guidance on how to calculate max mortgage amount.

## FHA Streamline Refinance Requirements

Refer to the Sellers Guide for Complete FHA Guidelines

Net Tangible Benefit of Streamline Refinances	<p><b>A Net Tangible Benefit must be met.</b> A 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 Mortgage Insurance premium (MIP) rate.</p> <p>The Mortgagee must determine that there is a net tangible benefit to the Borrower meeting the standards for all Streamline Refinances: <b>See Hud the Handbook for specific details for meeting the Net Tangible Benefit for Streamline Refinances</b></p> <p>Reduction in Term - The net tangible benefit test is met if the mortgage term is being reduced, the new interest rate does not exceed the current interest rate; <b>and</b> the combined principal, interest and MIP payment of the new Mortgage does not exceed the combined principal, interest and MIP of the refinanced Mortgage by more than \$50.00</p> <p><b>See Hud the Handbook for specific details for meeting the Net Tangible Benefit for Streamline Refinances</b></p>
Credit Qualifying transaction	<p>2 year employment history is stated and verified.</p> <p>4506T is signed and processed</p> <p>Income is stated and verified</p> <p>VVOE is required</p> <p>Assets required to close, if any, are documented and verified in accordance with HUD guidelines</p>



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Non-Credit Qualifying transaction	2 year employment is stated and verified VVOE is required Income is not stated and not verified, except non-wage income as defined by Hud guidelines Assets required to close, if any are documented and verified in accordance with Hud guidelines
Underwriting	<b>Manual Underwriting only - Delegated through EMM underwriters only</b> Loans should not be submitted to TOTAL Scorecard. Clear CAIVRS
Escrow Waiver	Not Permitted
Credit Requirements	The file must contain either: • A tri-merge credit report, or; • A Mortgage only credit report which contains mortgage account ratings with scores.
Payment History	EMM will not accept mortgage history with more than 1 x30 days late payment within the lesser of the last 12 months or the life of the current loan and 0 X 30 within the preceding 6 months. A minimum of six months of history must be available on the current mortgage.
Employment / Income Verification	Salaried - Verbal VOE Required Self-employed - verification of business through a third party source Retirement and/or Social Security - Awards letter or most recent bank statement with direct deposit.
Asset Verification	Borrower's funds to close, in excess of the total Mortgage payment of the new Mortgage must be verified in accordance with FHA Sources of Funds.
Loan Application	An abbreviated loan application (1003) omitting income, liabilities, and declarations (a) through (k) is allowed. The asset section may be omitted if funds for closing are not required. The current employer information is required to complete the Verbal Verification of Employment.
Maximum Terms	The Streamline refinance mortgage term is the lesser of: • 30 Years, or • the remaining term of the mortgage plus 12 years
Occupancy	Verification of occupancy is required including but not limited to the borrower's current mortgage statement.
Seasoning Requirements	On the date of FHA case number assignment, · the borrower must have made at least six payments on the FHA-insured mortgage being refinanced · at least six full months must have passed since the first payment due date of the refinanced mortgage, and · at least 210 days must have passed from the closing date of the mortgage being refinanced.
Mortgage Payment History	• The borrower must have made all payments within the month due for the six months prior to the case number assignment and have no more than one (1) 30 day late in previous 12 months.
Ineligible Properties	<ul style="list-style-type: none"> <li>• Assisted Living Projects</li> <li>• Builder Model Leaseback</li> <li>• Houseboats</li> <li>• Investment Securities</li> <li>• Manufactured Homes</li> <li>• Mobile Homes</li> <li>• Multi-family dwellings containing more than four units</li> <li>• Properties not suitable for year-round occupancy</li> <li>• Condo-Hotels</li> <li>• Properties with resale restrictions</li> <li>• Properties without full utilities installed to meet all local health and safety standards</li> <li>• Properties used for commercial or industrial purposes</li> <li>• Residential properties with a permanently affixed manufactured home on property</li> <li>• Tax-sheltered syndicates</li> <li>• Timeshare units</li> <li>• Unimproved land</li> <li>• Properties zoned commercial</li> <li>• Properties zoned agricultural</li> <li>• Working farm, ranch, or orchard</li> <li>• New Jersey 2 to 4 unit properties</li> </ul>



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Ineligible FHA Loans	<ul style="list-style-type: none"> <li>•Buydowns</li> <li>•Cash-out refinance in the state of Texas</li> <li>•Texas 50 (a) (6)</li> <li>•FHA 203 K renovation loans</li> <li>•FHA loans to nonprofit organizations borrowers</li> <li>•FHA Military Impacted Area loans</li> <li>•FHA refinance loans for Borrower in Negative Equity Position</li> <li>•FHA Section 8 Loans</li> <li>•Hawaiian Homeland Loans</li> <li>•Hope for Homeowners program</li> <li>•HUD 184 Program (Indian Home Loan Guarantee Program)</li> <li>•HUD Good Neighbor Next Door (Teacher, Law Enforcement, Fire Fighter, EMT)</li> <li>•ARM Products</li> <li>•Manufactured Homes</li> <li>•FHA single close Construction Permanent Mortgage Program</li> <li>•FHA 203 (h) Mortgage Insurance for Disaster Victims</li> </ul>
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**Product Codes and Product Names**

**Standard Loan Amounts**

Product Codes	Short Description	Long Description	AUS
FF15SL	FHA 15YR SL	FF15SL - FHA FIXED 15 YEAR STREAMLINE	MANUAL UNDERWRITING REQUIRED <u>TOTAL SCORECARD (AUS) IS NOT PERMITTED</u>
FF30SL	FHA30 YR SL	FF30SL - FHA FIXED 30 YEAR STREAMLINE	MANUAL UNDERWRITING REQUIRED <u>TOTAL SCORECARD (AUS) IS NOT PERMITTED</u>

Product and program guidelines subject to change without notice.  
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