

## USDA Rural Development Guaranteed Housing Programs Overview

	Purchase/Non-Streamlined Refinance	Streamlined Refinance	Streamlined-Assist
<b>Appraisal required?</b>	Yes Full appraisal (Completed by FHA roster appraiser on purchase)	No	Yes AVM with standard deviation ≤18
<b>Loans eligible for refinancing</b>	Guaranteed Loan or Section 502 Direct (no conventional, FHA, VA)	Guaranteed Loan or USDA 502 Direct (no conventional, FHA, VA)	Guaranteed Loan or USDA 502 Direct (no conventional, FHA, VA)
<b>Do income limits apply?</b>	Yes	Yes	Yes
<b>Is property required to be in rural area?</b>	<b>Purchase</b> - Yes <b>Refinance</b> – No. If property was eligible at origination it is eligible for refinance even if no longer in rural area as defined by USDA	No If property was eligible at origination it is eligible for refinance even if no longer in rural area as defined by USDA	No If property was eligible at origination it is eligible for refinance even if no longer in rural area as defined by USDA
<b>Does property have to be a primary residence</b>	Yes	Yes	Yes
<b>Eligible States</b>	All	All	All
<b>Minimum Credit Score</b>	580 <b>New York Only: Minimum 600 FICO required</b>	580 <b>New York Only: Minimum 600 FICO required</b>	580 <b>New York Only: Minimum 600 FICO required</b>
<b>Credit report required?</b>	Yes Full	Yes Full	Yes Mortgage only on subject property
<b>Mortgage History/Seasoning</b>	<b>Purchase:</b> No documentation required with GUS "Accept" finding <b>Refinance:</b> The existing loan must have closed 12 months prior to the loan application for the new loan. 0x30 payment history in the 6 months prior to HomeBridge request for the Conditional Commitment for the new loan	<ul style="list-style-type: none"> <li>The existing loan must have closed 12 months prior to the loan application for the new loan</li> <li>0x30 payment history in the 6 months prior to HomeBridge request for the Conditional Commitment for the new loan</li> </ul>	<ul style="list-style-type: none"> <li>The existing loan must have closed 12 months prior to the loan application for the new loan</li> <li>0x30 payment history for the most recent 12 months prior to loan application for the new loan</li> </ul>
<b>Interest rate and loan term</b>	Fixed rate 30 years	Fixed rate 30 years	Fixed rate 30 years New interest <b>cannot</b> exceed the interest rate of the original loan being refinanced
<b>DTI</b>	Maximum 45% with GUS "Accept" > 45% requires Homebridge exception approval Manual Underwrite: Max. 29%/41%	Maximum 45% with GUS "Accept" >45% requires Homebridge exception approval Manual Underwrite: Max. 29%/41%	Not applicable – debt ratios not calculated
<b>What may be included in new loan amount?</b>	<b>Purchase:</b> Loan amount may include eligible closing costs, lender fees, funds to establish an escrow/impound account up to 100% of the appraised value. 100% LTV may be exceeded only when the upfront guarantee fee is financed <b>Non-Streamlined Refinance:</b> Principal and interest of the existing loan, reasonable and customary closing costs, upfront guarantee fee and funds needed to establish a new tax and insurance escrow account not to exceed the new appraised value If upfront guarantee fee financed the appraised value may be exceeded only by the amount of the guarantee fee.	<ul style="list-style-type: none"> <li>Principal and accrued interest and a reasonable reconveyance fee. The upfront guarantee fee <b>may be</b> financed above the original purchase price</li> <li>The new loan amount cannot exceed the original loan amount (with the exception of the upfront guarantee fee)</li> <li><b>Delinquent interest, closing costs, lender fees, funds to establish an escrow/impound account and subsidy recapture (if applicable) may not be included in the new loan amount</b></li> </ul>	<ul style="list-style-type: none"> <li>Principal balance plus accrued interest, eligible closing costs, and funds to establish an escrow/impound account, and upfront guarantee fee (subsidy recapture due may <b>not</b> be included in the new loan amount if applicable)</li> <li><b>Unpaid fees, delinquent interest, lender fees, and late fees/penalties cannot be included in the new loan amount</b></li> </ul>

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<b>Closing costs and lender fees</b>	Normal and customary allowed	Not allowed	Closing costs – Yes Lender fees - No
<b>Cash-out allowed?</b> (Principal reduction reqrd if cash back > borrower out of pocket money)	No	No	No
<b>Manual underwriting</b>	Yes	Yes	Yes
<b>Is adding/deleting borrowers allowed?</b>	<b>Refinance</b> - Yes New borrowers may be added and existing borrowers may be deleted however one existing borrower must remain on the loan and title.	Yes New borrowers may be added and existing borrowers may be deleted however one existing borrower must remain on the loan and title.	Yes New borrowers may be added however existing borrowers may <b>not</b> be removed unless they are deceased.
<b>Termite/Septic/Well required</b>	<b>Purchase</b> – Well/septic always required. Termite if appraiser indicates issue  <b>Refinance</b> - No	No	No
<b>Reserves</b>	Not required	Not required	Not required

Refer to the applicable program guidelines on the Homebridge website for complete program requirements

### Refinance Benefits

Non-Streamlined Refinance Benefits	Streamlined Refinance Benefits	Streamlined-Assist Refinance Benefits
<ul style="list-style-type: none"> <li>• Direct 502 and Guaranteed loans may be refinanced</li> <li>• New borrowers may be added and existing borrowers may be removed (as long as one original borrower remains on the loan/title).</li> <li>• Eligible in all states</li> <li>• Loan submitted to GUS; Refer or Refer with Caution downgraded to manual underwrite</li> </ul>	<ul style="list-style-type: none"> <li>• Direct 502 and Guaranteed loans may be refinanced</li> <li>• No appraisal required</li> <li>• New borrowers may be added and existing borrowers may be removed (as long as one original borrower remains on the loan/title).</li> <li>• Eligible in all states</li> <li>• Loan submitted to GUS; Refer or Refer with Caution downgraded to manual underwrite</li> </ul>	<ul style="list-style-type: none"> <li>• Direct 502 and Guaranteed loans may be refinanced</li> <li>• AVM required</li> <li>• Mortgage-only credit report</li> <li>• Debt ratios not calculated</li> <li>• Eligible in all states</li> <li>• New borrowers may be added but borrowers cannot be removed</li> </ul>