

USDA Rural Development Guaranteed Housing Purchase and Non-Streamlined Refinance

Primary Residence Full Documentation			
Transaction Type	Units	LTV/CLTV ¹	Credit Score
Purchase	1	100%	580 ³
Non-Streamlined Refinance ²	1	100%/100%	580 ³

Footnotes:

1. Maximum LTV 100% of appraised value. Maximum loan amount is 100% of the appraised value plus the upfront fee, if financed. Refer to the full USDA Purchase and Non-Streamlined guidelines on the [Homebridge](#) for details. Subordinate financing ineligible on purchase and existing must be resubordinated on refi.; **no new** subordinate financing
2. Loan being refinanced must be a USDA GRH or 502 Direct loan. Conventional/ FHA/VA loans may **not** be refinanced under this program.
3. New York transactions **ONLY**: Minimum 600 credit score required

Program Parameters	100% financing (no down payment reqrd.) Guarantee fee may be financed. Owner-occupied 1-unit properties located in rural area as defined by USDA Rural Development. Refinance transactions as long as property in rural area at time of original loan, outside at refi okay. To determine property eligibility go to USDA Property Eligibility . Borrower income cannot exceed income limits per USDA. Borrower cannot receive cash back except for out-of-pocket expenses.
4506-C	Signed by all adult household members (18 years of age or older) and processed for previous 2-years (excluding full-time students)
Age of Documents	Credit/income/asset documentation must be ≤120 days from Note date. Appraisal valid for 6 mos from effective date and valid at time of Conditional Commitment
Appraisal	Full appraisal required. Property must meet HUD Hand book 4000.1 Section D and 49.05 requirements. Appraisal transfers allowed. Appraisal valid 150 days.
Assets	2 months bank statements/VOD required. Borrowers must lack sufficient assets to obtain uninsured conventional financing (borrower has < 20% down)
AUS Findings	All loans are submitted to GUS. "Accept", "Refer", or "Refer with Caution" findings are eligible. "Refer" and "Refer with Caution" must be downgraded to a manual underwrite. "Ineligible" findings are not allowed.
Borrowers Adding/Deleting	Refinance transactions, borrowers may be added or deleted as long as one original borrower remains on the loan
Borrowers – Eligible	U.S. citizen, permanent resident borrowers ONLY . No non-permanent borrowers, co-signers, or non-occupant co-borrowers
Credit Report	Tri-merged required. Non-borrowing spouse in community property states require full credit report on purchase transactions. Minimum (2) tradelines w/12 month history.
Credit Score	Minimum 580; NOTE : New York transactions ONLY : Minimum 600 credit score
Derogatory Credit	Refer to the Purchase and Non-Streamlined guidelines on the Homebridge website for details
Down Payment	Not required
DTI	Max 45% with GUS "Accept". Homebridge may grant exception to exceed on case-by-case. Non-purchasing spouse debts included in DTI calc (community property states). Manual underwrite max DTI 29%/41%, no exceptions
Employment	Two year employment history required. > 30 day gap requires LOE from borrower. VVOE required within 10 days of Note date and 30 days for self- employed
Escrow Holdbacks	Not allowed
Gift Funds	Allowed for closing costs or may be applied to guarantee fee or for voluntary down payment on purchase transactions
Impound Account	Required
Income	Borrower's income is subject to Rural Development income limits at USDA Income Eligibility . Current paystubs for previous 30 days with YTD income and W-2s for previous 2 years. Self-employed 2 years signed tax returns w/all schedules. YTD P&L with balance sheet and YTD Income & Expense statement
Inspections	Well/septic inspections required on purchase transactions. Termite required if appraiser indicates issues
Loan Amount	Refer to the USDA Purchase and Non-Streamlined guidelines on the Homebridge website for details.
Housing History	Purchase : not required with GUS "Accept" finding. Refinance : Existing loan must have closed 180 days prior to the Homebridge request for the Conditional Condition. 1x30 payment history in the most recent 180 days allowed
Product	30 year fixed rate only
Properties	Single family residence, PUD, attached/detached condos (FNMA, FHA, and VA approved projects). No second home, investment, units
Refinance	Non-Streamlined refinance: The interest rate of the new loan cannot exceed the interest rate of the loan being refinanced
Reserves	Not required
Subordinate Financing	Not eligible on purchase. Must be resubordinated on refinance transactions; may not be included in new loan amount. PACE/HERO loans ineligible to resubordinate

