

## USDA Rural Development Guaranteed Housing Streamlined Refinance

Primary Residence			
Transaction Type	Units	LTV/CLTV <sup>1</sup>	Credit Score
Streamlined Refinance <sup>2,3</sup>	1	100%/100%	580 <sup>4</sup>

**Footnotes:**

1. 100% LTV may only be exceeded when financing the upfront guarantee fee. Refer to the Loan Amount topic below for loan amount eligibility.
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. Minimum loan amount \$60,000
4. New York transactions **ONLY**: Minimum 600 credit score required

<b>Program Parameters</b>	100% financing (may be exceeded only when financing the guarantee fee). Owner-occupied 1-unit properties. Property does not currently need to be in rural area if property was eligible at origination of the loan being refinanced. Borrower income cannot exceed income limits per USDA. Borrower cannot receive cash back except for out-of-pocket expenses. New interest rate cannot exceed the interest rate of the loan being refinanced
<b>4506-C</b>	Signed by all adult household members and processed for previous 2-years (excluding full-time students)
<b>Age of Documents</b>	Credit/income/asset documentation must be ≤120 days from Note date.
<b>Appraisal</b>	Not required unless the loan being refinanced is a Section 502 Direct loan and the borrower received a subsidy, then a full appraisal will be required
<b>Assets</b>	2 months bank statements/VOD required. Stand-alone VOD not acceptable.
<b>AUS Findings</b>	All loans are submitted to GUS. "Accept", "Refer", "Refer with Caution" findings eligible. "Refer"/"Refer w/ Caution" requires manual underwrite. "Ineligible" findings not allowed
<b>Adding/Deleting Borrower</b>	Borrower(s) may be added or deleted as long as one original borrower remains on the loan.
<b>Borrowers – Eligible</b>	U.S. citizen, permanent resident borrowers <b>ONLY</b> . No non-permanent borrowers, co-signers, or non-occupant co-borrowers.
<b>Cash Back</b>	Not allowed. Borrowers may only receive cash back for eligible loan costs they have advanced from their personal funds or principal reduction required.
<b>Credit History</b>	All of the following are considered unacceptable; more than one 30 day late in the past 12 months, BK or foreclosure in previous 3 years, outstanding tax lien or delinquent government debt, outstanding judgment within past 12 months, any account converted to a collection account in the past 12 months, outstanding collection and outstanding collection accounts with no satisfactory payment arrangements, any debt written off within the last 3 years (charge-offs).
<b>Credit Report</b>	Tri-merged required. Non-borrowing spouse in community property states require full credit report.
<b>Credit Score</b>	Minimum 580; <b>NOTE</b> : New York transactions require 600 minimum credit score
<b>DTI</b>	Max <b>29%41%</b> regardless of GUS decision. Homebridge may grant exception to total debt exceeding 41% on case-by-case. Non-purchasing spouse debts included in DTI calc (community property states). Manual underwrite max DTI 29%/41%, <b>no exceptions</b>
<b>Employment</b>	Two year employment history required. > 30 day gap requires LOE from borrower. VVOE required within 10 business days prior to the Note date for wage earners and within 30 business days prior to the Note date for self-employed
<b>Escrow Holdbacks</b>	Not allowed
<b>Flood Determination</b>	Required
<b>Gift Funds</b>	Allowed for closing costs or may be applied to guarantee fee
<b>Escrow Account</b>	Required
<b>Income</b>	Borrower's income is subject to Rural Development income limits at <a href="#">USDA Income Eligibility</a> . 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.
<b>Loan Amount</b>	Maximum loan amount cannot exceed the original loan amount of the loan being refinanced (with the exception of the guarantee fee, if financed) The new loan may include the principal balance of the loan being refinanced, the accrued interest, common/customary closing costs and the guarantee fee (if financed). Unpaid fees, past-due interest, late fees/penalties <b>cannot</b> be included in the new loan amount
<b>Mortgage Seasoning</b>	The existing loan must have closed 180 days prior to the Homebridge request for the Conditional Commitment. 0x30 pay history in the most recent 180 days allowed
<b>Product</b>	30 year fixed rate only
<b>Properties – Eligible</b>	Single family residence, PUD, attached/detached condos (Fannie Mae, FHA, and VA approved projects). No second home, investment, units.
<b>Reserves</b>	Not required
<b>Subordinate Financing</b>	Existing subordinate financing must be resubordinated; it cannot be included in the new loan amount. PACE/HERO loans cannot be resubordinated

