

## 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 USDA 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 New York Only: Minimum 600 FICO required	580 New York Only: Minimum 600 FICO required	580 New York Only: Minimum 600 FICO required
<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> <ul style="list-style-type: none"> <li>The existing loan must have closed 180 days prior to the Homebridge request for the Conditional Commitment.</li> <li>0x30 payment history in the prior 180 days reqrd.</li> </ul>	<ul style="list-style-type: none"> <li>The existing loan must have closed 180 days prior to the Homebridge request for the Conditional Commitment.</li> <li>0x30 payment history in the prior 180 days required</li> </ul>	<ul style="list-style-type: none"> <li>The existing loan must have closed 180 days prior to the Homebridge request for the Conditional Commitment.</li> <li>0x30 payment history in the prior 180 days required</li> </ul>
<b>Interest rate and loan term</b>	Fixed rate 30 years	Fixed rate 30 years	Fixed rate 30 years  <ul style="list-style-type: none"> <li>New interest <b>cannot</b> exceed the interest rate of the original loan being refinanced</li> <li>New PITI payment must be a minimum of \$50 less than the PITI payment on the loan being refinanced</li> </ul>
<b>DTI</b>	<b>29%/41%</b>	<b>29%/41%</b>	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 only be exceeded when the upfront guarantee fee is financed <b>Non-Streamlined Refinance:</b> Principal and interest of the existing loan, reasonable and customary closing costs, up-front 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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	Purchase/Non-Streamlined Refinance	Streamlined Refinance	Streamlined-Assist
<b>Eligible Borrowers</b>	<ul style="list-style-type: none"> <li>U.S citizens</li> <li>Permanent residents</li> </ul>	<ul style="list-style-type: none"> <li>U.S citizens</li> <li>Permanent residents</li> </ul>	<ul style="list-style-type: none"> <li>U.S citizens</li> <li>Permanent residents</li> </ul>
<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>AUS - GUS</b>	Yes	Yes	No
<b>Manual underwriting allowed</b>	Yes With GUS "Refer" "Refer w/Caution" finding	Yes With GUS "Refer" "Refer w/Caution" finding	Yes
<b>Is adding/deleting borrowers allowed?</b>	<b>Refinance - Yes</b> 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>	<p><b>Purchase</b> – Well/septic always required. Termite if appraiser indicates issue</p> <p><b>Refinance - No</b></p>	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 Quick Reference Guide

Non-Streamlined Refinance	Streamlined Refinance	Streamlined-Assist Refinance
<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>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>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>New borrowers may be added but borrowers cannot be removed (with the exception of a borrower who is deceased)</li> <li>Mortgage-only credit report</li> <li>Debt ratios not calculated</li> <li>Manual underwrite</li> </ul>