



## USDA Streamlined Refinance Product Summary: Correspondent

Newrez overlays are identified with yellow highlighting

STREAMLINED REFINANCE ELIGIBILITY MATRIX					
Occupancy	Units	Credit Score	LTV	CLTV	DTI
<b>GUS ACCEPT</b>					
Primary Residence	1	580	100%	100%	Per GUS
<b>MANUAL UNDERWRITE</b>					
Primary Residence	1	600	100%	100%	34/41
Value based on original loan balance					
LTV may be exceeded by the financed Upfront Guarantee Fee					

STREAMLINED-ASSIST REFINANCE ELIGIBILITY MATRIX <sup>1</sup>					
Occupancy	Units	Credit Score	LTV	CLTV	DTI
Primary Residence	1	580	100%	100%	NA
Value based on original loan balance					
LTV may be exceeded by the financed Upfront Guarantee Fee					
<sup>1</sup> West Virginia: All loans must be credit qualified					

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	Streamlined Refinance	Streamlined Assist Refinance
<b>1. Loan Terms</b>	Fixed Rate: 30-year term	
<b>2. Product Codes</b>	W92      USDA Fixed Rate 30 Year	
<b>3. Existing Mortgage</b>	<p>The existing USDA Guarantee loan must:</p> <ul style="list-style-type: none"> <li>• Have closed 12 months prior to the USDA receipt of a Conditional Commitment</li> <li>• Not be able to qualify for conventional financing</li> </ul>	<p>The existing USDA Guarantee loan must:</p> <ul style="list-style-type: none"> <li>• Must have closed 12 months prior to the USDA receipt of a Conditional Commitment</li> <li>• Have an interest rate not higher than the loan being refinanced</li> </ul>
<b>4. Net Tangible Benefit (NTB)</b>	NA	The borrower must receive a NTB of a \$50 or greater reduction in the P&I and annual fee monthly payment
<b>5. Guarantee Fee</b>	<ul style="list-style-type: none"> <li>• Guarantee Fee is required on all transactions</li> <li>• Guarantee Fee and Annual Fee Calculators are available on the USDA LINC Training and Resource Library at <a href="https://www.rd.usda.gov/resources/usda-linc-training-resource-library">https://www.rd.usda.gov/resources/usda-linc-training-resource-library</a> in the Loan Origination section under Documentation and Resources</li> </ul>	
<b>6. Upfront Guarantee Fee</b>	<ul style="list-style-type: none"> <li>• Up-front Guarantee Fee: 1.0%</li> <li>• The upfront guarantee fee is calculated by multiplying the following percentage by the Total Loan Amount               <ul style="list-style-type: none"> <li>○ 1% of Base Loan Amount (when G-Fee is paid in cash)</li> <li>○ Total Loan Amount = Base Loan Amount / 0.99 (when G-Fee is financed)</li> </ul> </li> </ul>	
<b>7. Annual Guarantee Fee</b>	<ul style="list-style-type: none"> <li>• Annual Fee: .35% (of the outstanding principal balance)</li> <li>• The Annual Guarantee Fee is calculated on the Total Loan Amount and is based on the average annual scheduled unpaid principal balance for the life of the loan</li> </ul>	
<b>8. Loan Limits</b>	<ul style="list-style-type: none"> <li>• Maximum loan amount               <ul style="list-style-type: none"> <li>○ Continental US \$766,550</li> <li>○ Hawaii \$1,149,825</li> </ul> </li> <li>• <a href="https://www.fanniemae.com/singlefamily/loan-limits">https://www.fanniemae.com/singlefamily/loan-limits</a></li> <li>• Minimum loan amount \$25,000               <ul style="list-style-type: none"> <li>○ \$10,000(Michigan)</li> </ul> </li> <li>• Base loan amount cannot exceed the conforming loan limit</li> <li>• Maximum financing is the appraised value plus Guarantee Fee</li> </ul>	
<b>9. Temporary Buydown</b>	Not permitted	

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<b>10. Automated Underwriting</b>	<ul style="list-style-type: none"> <li>• Accept/Eligible</li> <li>• Accept/Ineligible if reason for ineligibility can be resolved</li> </ul>	Not permitted
<b>11. Manual Underwrite</b>	<ul style="list-style-type: none"> <li>• All loans must be submitted to GUS</li> <li>• If a Refer or Refer with Caution decision or loan is manually downgraded, manually underwrite in accordance with USDA guidelines</li> </ul>	Manual underwriting required
<b>12. Manual Underwrite Debt Ratio Waivers</b>	<ul style="list-style-type: none"> <li>• Compensating factors for debt ratio waiver requests               <ul style="list-style-type: none"> <li>○ Minimum 680 credit score for each borrower</li> <li>○ The proposed PITIA does not exceed the borrower's current verified mortgage payment by more than \$100 or 5 percent, whichever is less, for the 12-month period preceding loan application. Verification of the housing payment must be documented and no more than one 30-day late payment for the previous 12 months is permitted. A history of less than 12 months will not be considered an acceptable compensating factor.</li> <li>○ Three months PITIA reserves</li> <li>○ Continuous employment with the current primary employer</li> </ul> </li> <li>• The issuance of the Conditional Commitment for a Loan Note Guarantee represents Agency approval of the ratio waiver</li> </ul>	NA
<b>13. Qualifying Rate</b>	Fixed Rate: Note rate	
<b>14. Types of Financing</b>	<ul style="list-style-type: none"> <li>• Streamlined Refinance</li> <li>• Streamlined-Assist Refinance</li> </ul>	
<b>15. Properties Listed for Sale</b>	<ul style="list-style-type: none"> <li>• Property must be taken off the market before application date</li> </ul>	

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	<ul style="list-style-type: none"> <li>Borrower provides written confirmation of intent to occupy if primary residence</li> </ul>		
<b>16. Subordinate Financing</b>	<ul style="list-style-type: none"> <li>New subordinate financing not permitted</li> <li>Existing subordinate financing must be subordinated</li> </ul>		
<b>17. Occupancy</b>	Primary residence		
<b>18. Property Location Eligibility</b>	<ul style="list-style-type: none"> <li>Property must be located in a rural area as defined by the local USDA office: <a href="http://eligibility.sc.egov.usda.gov">http://eligibility.sc.egov.usda.gov</a> and meet HUD minimum property standards as per Handbook 4000.1</li> <li>Verification of property location eligibility must be printed and retained in the loan file</li> </ul>		
<b>19. Eligible Property Types</b>	<ul style="list-style-type: none"> <li>1-unit</li> <li>Condos: Delegated lender to issue the condo warranty</li> <li>Leasehold estate</li> <li>Manufactured housing</li> <li>Modular home</li> <li>PUD</li> </ul>		
<b>20. Eligible Borrowers</b>	<ul style="list-style-type: none"> <li>US citizen</li> <li>Permanent resident alien (Qualified alien)</li> <li>Non-permanent resident alien</li> </ul>		
<b>21. Add/Remove Borrowers</b>	<table border="1"> <tr> <td> <ul style="list-style-type: none"> <li>Borrower(s) may be added to the loan</li> <li>Existing borrowers on the current Note may be removed when one of the original borrower(s) remains on the refinance loan</li> </ul> </td> <td> <ul style="list-style-type: none"> <li>Borrower(s) may be added to the loan</li> <li>Borrower(s) may not be removed (unless deceased)</li> </ul> </td> </tr> </table>	<ul style="list-style-type: none"> <li>Borrower(s) may be added to the loan</li> <li>Existing borrowers on the current Note may be removed when one of the original borrower(s) remains on the refinance loan</li> </ul>	<ul style="list-style-type: none"> <li>Borrower(s) may be added to the loan</li> <li>Borrower(s) may not be removed (unless deceased)</li> </ul>
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<b>22. Non-Occupant Co-Borrower</b>	Not permitted		
<b>23. Program Income Eligibility</b>	<p>Annual Income</p> <ul style="list-style-type: none"> <li>The income used to determine program eligibility</li> <li>Used as basis for computed adjusted annual income</li> <li>Based on anticipated income for the coming year</li> <li>Includes the annual income of all adult household members, including adult household members not on loan</li> </ul> <p>Annual Adjusted Income</p> <ul style="list-style-type: none"> <li>Annual income of all adult household members less the allowed deductions</li> </ul>		

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	<ul style="list-style-type: none"> <li>The borrower’s annual adjusted household income must meet the adjusted income limits in accordance with size of household, county, and State in which the borrower(s) will reside</li> </ul>	
<b>24. Housing Payment History</b>	<ul style="list-style-type: none"> <li>12-month mortgage history required</li> <li>0x30x6 prior to application date</li> </ul>	<ul style="list-style-type: none"> <li>12-month mortgage history required</li> <li>0x30x12 prior to application date</li> </ul>
<b>25. Forbearance</b>	<ul style="list-style-type: none"> <li>Refinance of mortgages that are in a current forbearance status, including mortgages under a CARES Act forbearance plan are not eligible</li> <li>A borrower who was granted a mortgage payment forbearance and continues to make payments as agreed under the terms of original Note is not considered delinquent or late and will be treated as if not in forbearance status, provided that the forbearance plan is terminated prior to closing</li> <li>A borrower who has deferred mortgage payments as result of a recent forbearance plan               <ul style="list-style-type: none"> <li>Must have resumed making payments for at least three months; and</li> <li>0x30x6, excluding the time the loan was in forbearance</li> </ul> </li> </ul>	
		<ul style="list-style-type: none"> <li>Delegated Clients: Follow GUS</li> <li>Non-Delegated Clients:               <ul style="list-style-type: none"> <li>A borrower who has deferred mortgage payments as result of a recent forbearance plan                   <ul style="list-style-type: none"> <li>Must have resumed making payments for at least three months; and</li> <li>0x30x6, excluding the time the loan was in forbearance</li> </ul> </li> </ul> </li> </ul>
<b>26. Seller Contributions</b>	NA	
<b>27. Reserves</b>	None required	
<b>28. Appraisal</b>	Not required	

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Revision History		
Topic	Revision	Date
Geographic Restrictions	Removed below <ul style="list-style-type: none"> <li>• Ineligible for Newrez Underwriting               <ul style="list-style-type: none"> <li>○ Alaska</li> <li>○ Hawaii</li> </ul> </li> </ul>	05.17.2023 V23.1
Loan Limits	Minimum Loan Amount \$10,000 in the state of Michigan	08.30.2023 V23.2
Loan Limits	Updated Maximum loan amounts	12.26.2023 V23.3
Eligibility Matrix	Added West Virginia information	
Eligibility matrix	Removed West Virginia: Maximum 50% DTI	07.30.2024 V24.1
Streamlined Refinance Eligibility Matrix	Updated DTI	08.29.2024 V24.2
Manual Underwrite Debt	Updated Compensating Factors	
Eligible Borrowers	Remove Inter vivos revocable trust from Eligible Borrowers	11.25.2024 V24.3

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