

Primary Residence and Investment

Loan Purpose	Minimum FICO	Units	Maximum Loan Amount	Max LTV/CLTV	Terms Available
Streamlines	550	1 - 4 Units, Manufactured Ok	\$1,000,000	NA ¹	15, 20, 25, 30 Year Fixed
	680		\$2,000,000		

¹ Principal balance may not exceed the original loan amount of loan being refinanced.

Min. Loan Amount	Max Incidental Cash Back	AUS
\$75,000	\$500	No AUS. Manual Underwrite Only
Maximum Mortgage Amortization Period		Property Types
Lesser of: <ul style="list-style-type: none"> the remaining amortization period of the existing mortgage plus 12 years; or 30 years. 		FHA Insured Mortgages
		Occupancy
		Primary, Investment

Maximum Mortgage Calculation for Streamline Refinances

For Principal Residences, the maximum Base Loan Amount for Streamline Refinances is the **lesser of:**

- o the outstanding principal balance of the existing Mortgage as of the month prior to Disbursement; plus:
 - interest due on the existing Mortgage;
 - Late Charges;
 - escrow shortages; and
 - MIP due on existing Mortgage; or
- o the original principal balance of the existing Mortgage (including financed UFMIP);
 - less any refund of UFMIP.

Investment Properties, the maximum Base Loan Amount is the **lesser of:**

- o the outstanding principal balance of the existing Mortgage as of the month prior to Disbursement; or
- o the original principal balance of the existing Mortgage (including financed UFMIP);
 - less any refund of UFMIP

Upfront Mortgage Insurance Premiums

All Mortgages: 1.75% of the Base Loan Amount
 Except: Streamline Refinance used to refinance a previous FHA Loan endorsed **on or before May 31, 2009;**
UFMIP: (.1%) All Mortgages

Annual Mortgage Insurance Premiums (MIP)

Applies to all Mortgages except:
 • Streamline Refinance used to refinance a previous FHA endorsed Mortgage on or before May 31, 2009

All Mortgage Terms for Case Endorsed on or before May 31, 2009

Base Loan Amount	LTV	MIP (bps)	Duration
All	≤ 90%	55	11 Years
	> 90%		Life of Loan

Mortgage Terms: 20, 25, 30 Years

Base Loan Amount	LTV	MIP (bps)	Duration
< \$625,500	< 90%	80	11 years
	90.01 - 95%	80	Life of Loan
	95.01% and above	85	Life of Loan
> \$625,500	< 90%	100	11 years
	90.01 - 95%	100	Life of Loan
	95.01% and above	105	Life of Loan

Mortgage Terms: 10, 15 Years

< \$625,500	< 90%	45	11 Years
	> 90%	70	Life of Loan
	< 78%	45	11 Years
> \$625,500	78.01% - 90.00%	70	11 Years
	90.01% and above	95	Life of Loan

For Mortgages where FHA does not require an appraisal, the value from the previous Mortgage as listed in the FHA Refinance Authorization is used to calculate the LTV.

Eligibility

FHA Credit Qualifying	<ul style="list-style-type: none"> • At least one borrower from the existing mortgage must remain in the new mortgage. • Borrower's income must be verified. • Borrower's credit report with all debts must be verified in accordance with manual underwrite per HUD 4000.1. • Payment history for debts other than the subject property must be no more than the following: <ul style="list-style-type: none"> o Housing and Installment: 0x30 in the last 12 months and max 2x30 in the last 24 months AND o Revolving Accounts: 2x60, 0x90 in the last 12 months
FHA Non-Credit Qualifying	<ul style="list-style-type: none"> • URLA cannot have income amounts disclosed. Liabilities should be the mortgage only. • Income documentation is not required. • Closing costs may not be financed into the new mortgage • 4506-C is not required • Evidence of valid SSN is required • Employment verification required if applicable • Evidence of owner occupancy via current utility bill or employment documentation reflecting subject address without income amount is required. Otherwise, loan is treated as an investment streamline.
FHA Streamline Seasoning Eligibility	<ul style="list-style-type: none"> • Existing endorsed FHA mortgage • On the date of the FHA case number assignment: <ul style="list-style-type: none"> o The Borrower must have made at least six payments PRIOR to the case # assignment date on the FHA-insured Mortgage that is being refinanced; o At least six full months must have passed since the first payment due date of the Mortgage that is being refinanced; o At least 210 Days must have passed from disbursement date; and o If the Borrower assumed the Mortgage that is being refinanced, they must have made six payments since the time of assumption.

Credit Requirements

Age of Documents	<ul style="list-style-type: none"> • 120 Days for Credit Report, Income and Asset • 90 days Title <p>All items are measured from Disbursement Date</p>
Borrower Eligibility	<p>Eligible Borrowers: Must have legal residency and valid Social Security Number</p> <ul style="list-style-type: none"> • US Citizens, Permanent Residents and Non Permanent Resident Aliens (DACA allowed) • Inter-Vivos Revocable Trusts <p>Ineligible Borrowers:</p> <ul style="list-style-type: none"> • Foreign Nationals • Limited and General Partnerships • Irrevocable Trusts • ITIN borrowers

<p>Borrower Addition / Deletion</p>	<p>A Borrower is eligible for a Streamline Refinance without credit qualification if all Borrowers on the existing Mortgage remain as Borrowers on the new Mortgage. Mortgages that have been assumed are eligible provided the previous Borrower was released from liability.</p> <ul style="list-style-type: none"> • Occupant co-borrower may be added • An individual may be added to title • Non-occupant co-borrower or co-signer may not be added <p>Exception</p> <p>A Borrower on the Mortgage to be paid may be removed from title and new Mortgage in cases of divorce, legal separation or death when:</p> <ul style="list-style-type: none"> • the divorce decree or legal separation agreement awarded the Property and responsibility for payment to the remaining Borrower, if applicable; and • the remaining Borrower can demonstrate that they have made the Mortgage Payments for a minimum of six months prior to case number assignment.
<p>Subordinate Financing</p>	<ul style="list-style-type: none"> • Loans with Subordinate Financing: allowed to remain in place with subordination agreement. • New subordinate financing is not permitted.
<p>Credit Report</p>	<p>Non Credit Qualifying Streamline: Mortgage only credit report with FICOs accepted Tri-Merge Credit with FICOs allowed. Liabilities other than mortgage do not need to be included on 1003.</p> <p>Credit Qualifying: Tri Merge Credit report is required with all liabilities included.</p>
<p>Credit Review of Mortgage History</p>	<p>All streamlines:</p> <ul style="list-style-type: none"> • Must have 0x30 for the most recent 6 months prior to Case Number Assignment Date • Must have 0x30 after Case Number Assignment through disbursement date of new loan. • No more than 1x30 from 7th through 12th month prior to Case Number Assignment Date. <p>Forbearance:</p> <p><u>Non Credit Qualifying Streamline:</u> A Borrower who was granted mortgage payment forbearance on the subject Property is eligible for a non credit-qualifying Streamline and considered to have acceptable Mortgage Payment history provided that, at the time of case number assignment, the Borrower has:</p> <ul style="list-style-type: none"> • completed the Forbearance Plan on the subject Property; and • made at least three consecutive monthly Mortgage Payments within the month due on the Mortgage since completing the Forbearance Plan. <p><u>Credit Qualifying Streamline:</u> A Borrower who is still in mortgage payment forbearance at the time of case number assignment, or has made less than three consecutive monthly Mortgage Payments within the month due since completing the Forbearance Plan, is eligible for a credit qualifying Streamline provided the Borrower:</p> <ul style="list-style-type: none"> • made all Mortgage Payments within the month due for the six months prior to forbearance; and • had no more than one 30-Day late payment for the previous six months.
<p>Income / Assets</p>	
<p>Assets</p>	<ul style="list-style-type: none"> • Reserves are not required. • Funds to close in excess of the total mortgage payment of the new mortgage must be documented in accordance with FHA Guidelines, Source of Funds (Manual) 4000.1 II.A.5.c.iii.
<p>Employment Verification</p>	<p>Non Credit Qualified Streamline:</p> <ul style="list-style-type: none"> • The following Income and Employment documentation are required at a minimum: <ul style="list-style-type: none"> o Salaried borrowers require a Verbal VOE o Self-employed borrowers require verification of the business through a 3rd party source

Funds to Close	<p>Non Credit Qualifying Streamline: Funds that exceed the proposed PITI must be sourced and seasoned with a statement showing the previous month's ending balance of the most recent month.</p> <p>Credit Qualifying Streamline: Standard manual underwriting guidelines apply regardless of the amount of funds to close required.</p>			
Property				
Appraisal Requirements	No Appraisal Required. The value from the previous mortgage as listed in the FHA Refinance Authorization is used to determine LTV.			
Escrow Accounts / Impounds	Escrow Impound Accounts must be established for taxes and insurance premiums in accordance with FHA Guidelines			
Maximum Loan Exposure	NDM will not extend more than 4 active loans to any one individual or an aggregate of \$2 million.			
State Restrictions	Please see our approved License States			
Net Tangible Benefit	<p>Net tangible benefit per HUD guidelines must be met.</p> <ul style="list-style-type: none"> • Reducing the term of the mortgage, in and of itself, is not a net tangible benefit • Loan must meet either the Combined Rate Benefit Test or the Reduction in Term Benefit Test 			
	Standard for Refinances without a Term reduction			
	<p>The Borrower must meet the standards in the chart below for all Streamline Refinance transactions without a reduction in term.</p> <p>Note: if term reduction is greater than three years, then the new combined rate must only be below the current combined rate. The .50% reduction does not apply.</p>			
	To			
	From	Fixed Rate New Combined Rate	One-Year ARM New Combined Rate	Hybrid ARM New Combined Rate
	Fixed Rate	At least 0.5 percentage points below the prior Combined Rate	At least 2 percentage points below the prior Combined Rate.	At least 2 percentage points below the prior Combined Rate.
	Any ARM With Less Than 15 Months to Next Payment Change Date	No more than 2 percentage points above the prior Combined Rate.	At least 1 percentage point below the prior Combined Rate.	At least 1 percentage point below the prior Combined Rate.
	Any ARM With Greater Than or Equal to 15 Months to Next Payment Change Date	No more than 2 percentage points above the prior Combined Rate.	At least 2 percentage points below the prior Combined Rate.	At least 1 percentage point below the prior Combined Rate.
	Standard for Refinances with a Term Reduction			
	To			
	From	Fixed Rate New Combined Rate	One-Year ARM New Combined Rate	Hybrid ARM New Combined Rate
Fixed Rate	Below the prior Combined Rate.	N/A	N/A	
Any ARM With < 15 Months to Next Payment Change Date		N/A	N/A	

	Any ARM With \geq 15 Months to Next Payment Change Date	No more than 2 percentage points above the prior Combined Rate.	N/A	N/A
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