

USDA Streamline Product Parameters (streamline assist)

Overview

Overview	Refinance of USDA loan only, no cash out and cannot payoff a 2nd mortgage
Occupancy	Principal residence
Borrowers	One original borrower must remain, deceased borrowers may be removed, borrowers can be added to new loan
Waiting period	Minimum of 12 months on the loan being refinanced
Loan Amount calculation	Can payoff the mortgage loan plus guarantee fee and all closing costs
Loan purpose	Rate and term only, no cash out permitted, excess funds should be applied to principal
Term	30 year fixed rate only
Property	Must in in an eligible rural area that was eligible at the time of the original loan closing
Property type	No manufactured homes, mobile homes, timeshares, working farms, 2-4 units, income producing properties

Processing

USDA guarantee fee	1% of the loan upfront refinance fee, annual fee .35% (added to monthly payment)
USDA program	Streamline Assist
Income	Need all income docs and must meet USDA income eligibility
Debts	Not required
Assets	2 months bank statements required (even if no cash to close)
Cash out at Closing	Excess cash out must be applied to principal
Appraisal	Not Required
Net Tangible Benefit	Must show \$50 or greater reduction in PI payment on new loan
AUS	Do not run GUS
DRIVE	Required
Reserves	Not required
1003	Purpose of loan is No Cash-out streamline, Complete 1003 with all information - Income, Assets (if needed), Debts can stay on there but only mortgage is needed since DTI is not calculated

Credit & Pricing

Credit Report	Credit report is required
Credit Score	620 minimum score, use score to price in pricing engine
Mortgage	Verify mortgage is paid as agreed for 12 mos prior to refinance application
DTI	Not calculated
CAIVRS	Required & cleared
Pricing	Use regular pricing engine to price - maximum of 240 bps (for par marker and any overage as lender credit)

updated 6/1/21