

FHA Streamline Product Parameters

Non credit qualifying	
Overview	No credit or capacity analysis, no appraisal
Occupancy	Principal residences, HUD-approved Secondary residences or Non-owner occupied
Term	Secondary residences & NOO must be fixed rate mortgage
Amortization Period	the maximum amortization period is limited to the lesser of 1. the remaining balance of the existing mortgage plus 12 years or 2. 30 years
AUS - TOTAL SCORECARD	Do not run through DU or LP, loan must be manually underwritten (even if DU/LP are accidentally run)
Eligible Borrowers	All borrowers remain as borrowers on the new mortgage
Loan Amount calculation for Primary residence	Current outstanding principal balance plus any interest due on the existing mortgage plus any new UFMIP minus any UFMIP refund
Loan Amount Calculator	https://www.equityzone.org/lo-toolbox
Loan amount calculation for NOO	Current outstanding principal balance - any UFMIP refund
Income	Not required
Debts	Not required
Funds to Close	Must verify borrower's funds to close in accordance with FHA policy
CLTV	No maximum
Cash out at Closing	Maximum of \$500 cash out at closing
Appraisal	Not Required
Net Tangible Benefit	NTB is a reduced rate, reduced term and/or a change from an ARM to a fixed rate mortgage that results in a financial benefit to the borrower (see chart)
Closing Costs	All closing costs must be paid by the borrower as cash at closing or by lender credit (through rate)
1003 Page 1 Set up in ENC	Purpose of loan: No Cash-out refinance, Purpose of Refinance: No Cash-Out FHA Streamlined
FHA Management Set up in ENC	Purpose of loan: No Cash-out refinance AND Streamline Refinance (w/o appraisal) FHA Streamline Type: Non-Credit Qualifying
File set up on 1003	Do not complete sections 1b - 1e, 2, 3 or 5 with the exception of 5a.A. (occupancy), must be answered
Rate	Lock through Optimal Blue - choose FHA as Loan Type & FHA Streamline Refi as Loan Purpose - enter 720 for credit score
Credit	
Credit Report	Mortgage only credit report
Credit Score	No score on credit, use 720 for pricing
Housing History - if forbearance due to COVID-19	Eligible if they have completed the forbearance plan and made at least 3 consecutive mortgage payments post forbearance. (non-credit qualifying streamline)
DTI	Not calculated
Waiting period	Must have made 6 mortgage payments and 210 days passed from the most recent closing date
CAIVRS	Not Required
MIP	
UFMIP Factor	1.75% unless mortgage being paid off was insured on or before 5/31/09
Factor for calculating MIP	Use the original value of the property to calculate the LTV for MIP
UFMIP Refund	Occurs when original FHA loan was originated less than 3 years prior
Previous FHA Case #	Loan officer to get from borrower so processor can request refi-to-refi in FHA connection & get refund amount
Monthly MIP Factor	Follow standard chart unless mortgage being paid off was insured on or before 5/31/09

updated 6/1/21