

# FHA to FHA Streamline Refinance Maximum Mortgage Worksheet

Note: Closing costs are not permitted to be included in the new Streamline Refinance loan amount for either credit qualifying or non-credit qualifying loans.

Effective 09/10/2020 but mandatory for case numbers assigned on or after 11/09/2020 per ML 2020-30, items in green are effective:

## Owner Occupied Primary Residences

<b>(A)</b>	The outstanding principal balance of the existing loan as of the month prior to refinance disbursement		
	• Interest due on the existing loan; and	+	
	• Late charges; and	+	
	• Escrow shortages; and	+	
	• MIP due on existing loan	+	
<b>Total for (A):</b>		=	
<b>(B)</b>	The original principal balance of the existing loan (including financed UFMIP)		
<b>(C)</b>	Lessor of (A) or (B); minus:	=	
	• Any refund of UFMIP (obtain from FHA Refinance Authorization)	-	
<b>Equals the allowable maximum base loan amount for an owner occupied residence</b>		=	

## Investment Properties

<b>(A)</b>	The outstanding principal balance of the existing loan as of the month prior to refinance disbursement		
<b>(B)</b>	The original principal balance of the existing loan (including financed UFMIP)		
<b>(C)</b>	Lessor of (A) or (B); minus:	=	
	• Any refund of UFMIP (obtain from FHA Refinance Authorization)	-	
<b>Equals the allowable maximum base loan amount for an investment property</b>		=	

## Net Tangible Benefit Requirements for all FHA Streamline Refinances

One of the below acceptable NTB's must be met in conjunction with the new combined fixed interest rate requirements to be eligible for a Streamline Refinance.

Acceptable NTB's	New Combined Fixed Interest Rate
Change from an ARM to a fixed rate loan that results in a financial benefit to the Borrower.	<ul style="list-style-type: none"> <li>Must be at least 0.5% points below the prior Combined Rate when the existing loan is a fixed rate.</li> <li>May not be more than 2% points above the prior Combined Rate when the existing loan is an ARM.</li> </ul>
Reduced Combined Rate, defined as the interest rate on the loan plus the MIP rate.	
Reduced term, defined as the reduction of the remaining amortization period of the existing loan, with the following being met: <ul style="list-style-type: none"> <li>The combined principal, interest and MIP payment of the new loan does not exceed the combined principal, interest and MIP of the refinanced loan by more than \$50.</li> </ul>	<ul style="list-style-type: none"> <li>Must be below the prior Combined Rate when the existing loan is a fixed rate.</li> <li>May not be more than 2% points above the prior Combined Rate when the existing loan is an ARM.</li> </ul>

## Seasoning Requirements for all FHA Streamline Refinances

An FHA Case Number must not be assigned for a Streamline Refinance transaction until the seasoning requirements outlined below have elapsed / been met. On the date of the FHA case number assignment:

- the Borrower must have made at least six payments on the FHA-insured Mortgage that is being refinanced (where the FHA-insured Mortgage has been modified, the Borrower must have made at least 6 payments under the Modification Agreement);
- at least six full months must have passed since the first payment due date of the Mortgage that is being refinanced;
- at least 210 Days must have passed from the Closing Date of the Mortgage that is being refinanced; and
- if the Borrower assumed the Mortgage that is being refinanced, they must have made six payments since the time of assumption.

Note: Where a loan is under a Forbearance Plan and payments have not been made, such missed payments are not counted towards the above seasoning minimum requirements.

Additionally, GNMA requires the following loan seasoning requirements be met on all new FHA Streamline Refinance transactions:

- A minimum of 6 months full and consecutive payments (pre-payment of monthly mortgage payments not permitted) have been made on the loan being refinanced since the first payment date evidenced on the Note; and
- 210 days has passed since the first payment due date of the loan being refinanced to the first payment date of the new Fairway Streamline Refinance loan.