

VHDA FHA Streamline Refinance

Program Guidelines

Eligible Loans	Only current VHDA FHA loans may be refinanced.										
Loan Term	FHA limits the term to the lesser of 30 years or the remaining term of the mortgage plus 12 years and: <ul style="list-style-type: none"> • VHDA cannot finance a loan with less than 18 years remaining term. • Fixed rate only. 										
Maximum Lender Compensation	2.50% including SRP plus common and customary ancillary fees.										
Loan-to-Value (LTV)	FHA requirements.										
Mortgage Insurance	UFMIP / Annual MIP per FHA requirements.										
MCC Eligible	No. (Mortgage Credit Certificate)										
CHR Eligible	No. (Community Housing Revitalization)										
VHDA CCA Eligible	No. (VHDA Closing Cost Assistance Grant)										
VHDA DPA Eligible	No. (VHDA Down Payment Assistance Grant)										
VHDA Plus Second Mortgage Eligible	No. (VHDA Plus Second Mortgage)										
First-Time Homebuyer	Not required.										
Income Limits	<p>Include all income of all borrowers.</p> <p>Documentation of income is not required but must be certified on VHDA Income Certification for VHDA FHA-VA Streamline Refinance.</p> <table border="1" data-bbox="685 1283 1286 1520"> <thead> <tr> <th colspan="2">Maximum Borrower(s) Household Income:</th> </tr> <tr> <th>Area:</th> <th>Any Person Household</th> </tr> </thead> <tbody> <tr> <td>DC/Northern VA MSA:</td> <td>\$181,900</td> </tr> <tr> <td>King George:</td> <td>\$149,100</td> </tr> <tr> <td>Remainder of State:</td> <td>\$132,700</td> </tr> </tbody> </table>	Maximum Borrower(s) Household Income:		Area:	Any Person Household	DC/Northern VA MSA:	\$181,900	King George:	\$149,100	Remainder of State:	\$132,700
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Remainder of State:	\$132,700										
Maximum Loan Amount	FHA requirements.										
Eligible Purpose	Primary Residence / Owner Occupied Non-Credit Qualifying Streamline Refinance.										
Financed Closing Costs	Not allowed per FHA requirements.										
VHDA Single Family Loan and Mortgage Credit Certificate Program Disclosure and Borrower Affidavit (Exhibit E2)	Not required.										

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VHDA Seller Affidavit and Acknowledgment (Exhibit F)	Not required.
VHDA Originating Lenders Submission Cover Letter (Exhibit O)	Not required.
Recapture	Loan is not subject to recapture.
Homebuyer Education	Not required.
Tax Returns	Not required.
Automated Underwriting System (AUS) / Manual Underwrites	Desktop Underwriter and Loan Prospector Total Scorecard not allowed. Loan must be manually underwritten to meet the more restrictive of VHDA and FHA Non-Credit Qualifying Streamline Refinance requirements.
Minimum Credit Score / Verification of Mortgage	<p>No credit score requirement – Non-Credit Qualifying Streamline Refinance.</p> <p>Lenders must obtain a credit report to identify:</p> <ul style="list-style-type: none"> • Judgments or liens. • Credit scores to be provided if available. <p>Verification of the mortgage directly from VHDA is required to confirm:</p> <ul style="list-style-type: none"> • An acceptable mortgage payment history meeting FHA requirements (no lates last six months paid by the current borrower). • The note date of the refinance loan must be on or after the later of: <ul style="list-style-type: none"> • The date that is 210 days after the date on which the first monthly payment was made on the mortgage being refinanced, and • The date on which 6 full monthly payments have been made on the mortgage being refinanced. <p>Mortgages with prior modification or partial claims are not eligible.</p>
Maximum DTI	No maximum ratios with FHA Non-Credit Qualifying Streamline Refinance.
Addition and Removal of Borrower	Follow FHA requirements.
Non-Occupant Co-Borrowers	Not allowed.
Acceptable Funds to Close	Follow FHA requirements funds to close (Must verify borrower's funds to close).
Cash Back at Closing	Follow FHA requirements for cash back at closing (Cannot exceed \$500).
Appraisal	Not required.
Flood Certification	A new flood certification is required.
General Guidelines	Unless otherwise noted follow FHA Non-Credit Qualifying Streamline Refinance requirements (with program overlays).

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Lock-In	<p>Loans locked on VHDA's LOS – Mortgage Cadence – Select FHASstreamline.</p> <p>Follow steps outlined in the Mortgage Cadence User Guides available on VHDA's website for registering and locking loans.</p>
LLPAs	<p>No additional Loan Level Pricing Adjustments.</p>
Origination	<p>Loan originated in accordance with program guidelines and FHA guidelines.</p>
Lender Delegated Underwriting Availability	<p>All approved VHDA lenders are automatically delegated for the FHA Streamline Refinance program (Even lenders that are not delegated on other products).</p>
Lender Liability Responsibility	<p>Since this is a no appraisal / no credit qualifying loan:</p> <ul style="list-style-type: none"> • The lender will not be held responsible for the performance of this loan unless there is fraud or material misrepresentation. • The lender must adhere to FHA guidelines, obtain valid mortgage insurance, and ensure the new first mortgage is in a valid first lien position.
Underwriting	<p>Loans underwritten in accordance with program guidelines and FHA guidelines.</p> <p>As mentioned above, all approved VHDA lenders are automatically delegated for the FHA Streamline Refinance program, so submission to VHDA underwriting for pre-closing review is not required.</p> <p>Follow steps outlined in the Mortgage Cadence User Guides available on VHDA's website for submitting for Delegated Approval.</p>
New Escrow Account	<p>A new escrow account must be established:</p> <ul style="list-style-type: none"> • A refund of the current escrow account will be sent to the borrower after the refinance has been completed and payoff of the original loan is received. • When establishing the new escrow account, include the amounts necessary to pay the hazard premium and taxes in the month prior to the due date. A two month cushion is required. • The borrower is not required to obtain a new hazard policy.
Tax Service Fee	<p>VHDA's tax service fee will be deducted from the Lender's net proceeds.</p> <p>This fee may not be charged to the borrower (FHA requirement).</p>
Loan Payoff Information	<p>Fax request for loan payoff to (804)343-8720.</p> <ul style="list-style-type: none"> • Indicate that this is a VHDA to VHDA refinance. • Attach the Borrower's Authorization.
Subordination of VHDA Plus Second Mortgage	<p>VHDA will subordinate the 2nd mortgage to the new VHDA streamline refinance first mortgage – automatic subordination is not allowed.</p> <ul style="list-style-type: none"> • Complete the Request for Plus Second Mortgage Subordination form and send to loan servicing as instructed on the form. • VHDA will not charge a subordination fee for these loans. • Provide a copy of the title policy indicating the Deed Book and page number of the existing 2nd lien for prompt completion of the agreement. • Allow 10 business days for receipt of the subordination agreement. • The agreement will be returned to the requesting lender. • The rate on the original 2nd mortgage will remain the same.

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Subordination of Other Second Mortgage	The lender must ensure that VHDA's first mortgage is in first lien position and appropriately reflected on the title policy.
Closing	Loans closed in accordance with standard FHA requirements. Loan must be closed in the name of the lender, registered in MERS with MERS compliant documents.
Funding	Originating lender will fund the first mortgage at closing.
Delivery	Loans submitted to VHDA within 10 calendar days of closing. Follow steps outlined in the Mortgage Cadence User Guides available on VHDA's website for submitting a closed loan package. Documents must be uploaded using the VHDA Loan Stacking Form .
Pre-Purchase Review	Loans reviewed by VHDA prior to purchase. If errors noted, VHDA will contact lender.
Post-Closing	Standard post-closing documents must be submitted to VHDA.
Important: Refer to the Origination Guide for more information about VHDA eligibility requirements.	

The information contained herein (including but not limited to any description of VHDA and its lending programs and products, eligibility criteria, interest rates, fees and all other loan terms) is subject to change without notice.