



USDA Streamlined-Assist Refinance

30 Year Fixed Rate

Product Matrix

USDA Underwriting Guideline Link:

<http://www.rd.usda.gov/publications/regulations-guidelines/handbooks>

The streamlined assist refinance option provides current USDA direct and guaranteed home loan borrowers with low or no equity the opportunity to refinance for more affordable payment terms.

Primary Residence Only

Transaction Type	# of Units	Max. LTV / CLTV	Minimum Credit Score
USDA to USDA Streamline Refinance	1	N/A	680
Guarantee Fee's	Upfront Refinance Fee: 1% of the loan amount - Financed Guarantee Fee calculated: $(\text{loan amount} / .99) - \text{loan amount}$ - Not financed Guarantee Fee calculated: $\text{loan amount} * 1\%$ Annual Fee: .35%		
AUS	<ul style="list-style-type: none"> Manual underwriting only. (GUS is not used) All loans must be submitted to the USDA for the conditional commitment via email based on the state. 		
Appraisal	<ul style="list-style-type: none"> Not required. (A valuation product is not required.) 		
Credit	<ul style="list-style-type: none"> Tri-merge credit report or mortgage only report with credit scores is required. 0 X 30 for the previous 12 month mortgage payments. (Minimum 12 mos required) 2 credit scores required for all borrowers 		
CAIVRS	<ul style="list-style-type: none"> CAIVRS must be checked and cleared. 		
Guidelines	<ul style="list-style-type: none"> The existing loan being refinanced must be a USDA Guaranteed Rural Housing Loan The interest rate of the new loan must be fixed and may not exceed the interest rate of the loan being refinanced. The borrower must receive a Net Tangible Benefit defined as a \$50 or greater reduction in the principal, interest, and annual fee (PI+A) payment on the new guaranteed loan when compared to the existing PI+A payment Borrowers may be added to the new refinance, but an existing borrower may not be removed. Non-occupant co-borrowers are not permitted. The new loan amount may include principal and interest balance of the existing loan, eligible closing costs, prepaids and the upfront guaranteed fee. No cash out is permitted to the borrower. Any excess funds, which should be minimal, must be applied as a principal reduction. (Unpaid fees, past-due interest, and late fees/penalties due the servicer cannot be included in the new loan amount.) Subsidy recapture due for direct loan borrowers are not eligible to be included. Must be paid in full by borrower or subordinated. 		
Employment / Income	<ul style="list-style-type: none"> DTI ratios are not calculated. Borrowers adjusted annual income must meet USDA income eligibility requirements for the area 2 year tax transcripts for all adult household members is required. Full income verification for all borrowers is required: Wage Earner: <ul style="list-style-type: none"> Most recent year-to-date paystub and previous 2 year w2'S. Verbal VOE within 10 days of closing Self-employed: <ul style="list-style-type: none"> 2 years personal & business tax returns with YTD P&L and Balance sheet. verification of business 		

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Property Eligibility

- Property must be in an eligible rural area or an area that was eligible at the time of the original loan closing.
NOTE: If property shows "ineligible" the Rural development State Office must be contacted to confirm that the property that the property was eligible at the time of the original closing.
- Single Family Attached/Detached
- PUD's and condo's.
- Leaseholds with a minimum length of lease of 15 years beyond the maturity date of the loan.
- The loan security must be the same property as the original loan.

Direct Loan Borrowers

Direct USDA loans are loans that were funded directly by the USDA.

- Lenders may determine an applicant has direct a direct loan when the credit report reflects 'USDA' as the mortgage creditor, or the applicant informs the lender that they applied and received their mortgage loan through a USDA Service Center. Direct loans are serviced by the Centralizing Servicing Center (CSC) located in St. Louis, Missouri. Obtaining a "STATEMENT OF LOAN BALANCE" letter will assist lenders in determining if subsidy recapture is due.
- Direct Loan borrowers will be required to obtain a new appraisal if they have received payment subsidy to determine the amount of subsidy recapture due. If subsidy recapture is due, the amount cannot be included in the newly refinanced loan. Subsidy recapture must be paid with other funds or subordinated to the new guaranteed loan.
- Submit a request on lender letterhead suitable for fax transmission which includes the name, account number, address, and the date for which the payoff should be valid. If available at the time of payoff request, also include a copy of the Loan Estimate or Closing Disclosure and a recent appraisal of the direct loan property. If a current appraisal is not remitted at the time of the loan payoff request, the "Statement of Loan Balance" will reflect the MAXIMUM amount of subsidy recapture that may be due. When a current appraisal is submitted to CSC, the payoff will reflect the actual amount of subsidy recapture due. Requests can be faxed to (314) 457-4433. ** The "Statement of Loan Balance" will also include instructions for the lender to follow regardless of information submitted at the time of the payoff request.