



2009 FHA Overview

Maximum LTV					Refinance			Guidelines
For Case Number Assignments on or after 4/5/2010					No Cash Out Refinance:			Eligibility <ul style="list-style-type: none"> US Citizens, Inter vivos revocable trusts, Permanent and Non-Permanent Resident Aliens, Non-Occupant Co-Borrowers. Owner Occupied Only. (except streamline refinance.)
Purchase			No Cash Out Refinance		Cash Out Refinance		Documentation <ul style="list-style-type: none"> All borrowers must have valid social security number. All borrowers must have at least one valid credit score on manually underwritten loans. Borrowers using non-traditional credit are not allowed. A completed and signed 4506-T is required for all borrowers on all loans. 	
96.50%			97.75%		85%			DTI Ratios <ul style="list-style-type: none"> Manual Approval for DU approvals down graded by U/W, with corp approval only Ratios may be exceeded only when significant compensating factors exist. Loans using an AUS may exceed the
Loan-to-value including UFMIP may not exceed 100%					Cash Out Refinance:			
FHA Mortgage Limits					85% LTV based on current appraised value, subject to all of the following:			Underwriting Method <ul style="list-style-type: none"> Loan programs may be underwritten manually or by DU. Manual underwrites require Corp approval and are for retail division only. All FHA Loan require a 640 min. credit score for all borrower on Streamline Refinance. 620 min credit score for purchase.
Region		1 Unit	2 Units	3 Units	4 Units	Streamline Refinance:		
Low Cost Areas		\$271,050	\$347,000	\$419,400	\$521,250	<ul style="list-style-type: none"> Must result in an immediate payment reduction to the borrower. Tangible benefit to borrower required. New Streamline Changes- Discount Pts not allowed in Loan Calculation with out appraisal, Verification of Assets needed to close, Certification of borrower(s) employment & has income required. (actual income not required to be verified) Are designed to lower the monthly principal and interest payments on a current FHA-insured mortgage; however, it does not allow for cash back to the borrower, except for minor adjustments at closing, not to exceed \$500. 0 X 30 on mortgage in the last 12 months. Obtain mortgage rating only with credit bureau, with FICO scores to meet new FICO guidelines. Effective with Case assignments on or After October 1, 2009 borrower must have made at least 6 payments on the FHA insured Mortgage being refinanced. 		
High Cost Areas		\$729,750	\$934,200	\$1,129,250	\$1,403,400	<ul style="list-style-type: none"> Any co borrowers added must be an occupant of the property 		
A complete schedule of FHA mortgage limits based on county for all areas is available at: https://entp.hud.gov/idapp/html/hicostlook.c					Streamline Refinance			Additional Restrictions <ul style="list-style-type: none"> Second Appraisal required on Property Flipping ... ML 2006-14 ***For Retail loans only***
Upfront and Annual MIP					REFERTO MORTGAGEE LETTER 2009-32 FOR FURTHER STREAMLINE REVISIONS.			
Greater than 15 year terms			15 year or less terms					
LTV	UFMIP	Annual	LTV	UFMIP	Annual			
> 95%	2.25%	0.55%	> 90%	2.25%	0.25%			
< 95%	2.25%	0.50%	< 90%	2.25%	0.00%			
MIP Notes:								
<ul style="list-style-type: none"> The number of years will be determined when the loan balance equals 78% LTV, provided the borrower has paid annual MIP for at least 5 years, (scheduled or actual.) Loan amount multiplied by Annual premium, divided by 12 mos. equals monthly MIP. All FHA loans will have upfront and monthly premiums, except as noted above. Loan program eligibility is determined using the base loan amount prior to financing UFMIP. Pricing is determined using the Note loan amount. (Base loan amount + UFMIP) UFMIP must be 100% financed into the mortgage or paid entirely by cash: partial financing not allowed. 								

