

FHA Streamline – Non-Credit Qualifying

This matrix is intended as an aid to help determine whether a property/loan qualifies for certain financing. It is not intended as a replacement for FHA guidelines. Users are expected to know and comply with FHA requirements. FHA requirements are found in [FHA Handbook 4000.1](#). These guidelines may include overlays, which may be more restrictive than FHA requirements. A thorough reading is recommended.

Program Qualifications

The FHA Streamline Non-Credit Qualifying Refinance is a refinance of an existing FHA-insured mortgage requiring limited borrower credit documentation and underwriting. There is no credit or capacity analysis or appraisal required.

Eligibility Matrix Loan Amount & LTV Limitations

Primary Residence			
Minimum Credit Score	Units	Maximum Base LTV/CLTV ¹	Maximum Loan Amount ²
600	1-4	N/A	See “Maximum Mortgage Calculation” section

Footnotes:

¹There is no maximum LTV or CLTV for a FHA Streamline provided the requirements in the “Maximum Mortgage Calculation” section and the “Subordinate Financing” section are met.

²There is no maximum loan amount for a FHA Streamline provided the requirements in the “Maximum Mortgage Calculation” section are met.

Product Description

- Fixed Rate 30-year term; fully amortized, including High Balance

Product Codes

Product Code	Fixed Description
FF30SL	FHA 30 Years Streamline
FF30SLHB	FHA 30 Years Streamline High Balance

For Product Code and Rate Sheet purposes, “High Balance” refers to loan amounts that exceed the following:

Units	High Balance
1	> \$647,200
2	> \$828,700
3	> \$1,001,650
4	> \$1,244,850

Eligibility Requirements

Appraisal Requirements	Appraisals are not required on streamline refinances. The receipt or possession of an appraisal by the mortgagee does not affect the eligibility or maximum mortgage amount on streamline refinances.
Assets	<u>Funds to Close:</u> If the funds to close exceed the total mortgage payment of the new mortgage, the mortgagee must verify the full amount of the borrower’s funds to close per FHA manual underwriting requirements for Sources of Funds as found in FHA Handbook 4000.1 II.A.5.c.iii .
Borrowers	<p><u>Borrower Eligibility:</u> A borrower is eligible for a streamline refinance without credit qualification if all borrowers on the existing mortgage remain as borrowers on the new mortgage. Mortgages that have been assumed are eligible provided the previous borrower was released from liability.</p> <ul style="list-style-type: none"> • <u>Exception:</u> A borrower on the mortgage to be paid may be removed from title and new mortgage in cases of divorce, legal separation or death when: <ul style="list-style-type: none"> ○ The divorce decree or legal separation agreement awarded the property and responsibility for payment to the remaining borrower, if applicable; <u>and</u> ○ The remaining borrower can demonstrate that they have made the mortgage payments for a minimum of six months prior to case number assignment. <p><u>Borrower Additions to Title:</u> Individuals may be added to the title and mortgage on a non-credit qualifying Streamline Refinance without a creditworthiness review.</p>

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	<p><u>LDP and SAM Exclusion Lists:</u> The mortgagee must check the HUD Limited Denial of Participation (LDP) list to confirm the borrower's eligibility to participate in an FHA-insured mortgage transaction. The mortgagee must also check the System for Award Management (SAM) and must follow appropriate procedures defined by that system to confirm eligibility for participation.</p> <p>Evidence of a valid social security number is required for all borrowers.</p>
Credit	<p><u>Minimum Credit Score and Requirements:</u></p> <ul style="list-style-type: none"> • Minimum 600 FICO score is required • A residential tri-merge credit report is required to determine that the borrower(s) meet the minimum 600 FICO score requirement. <p><u>Mortgage Payment History:</u></p> <ul style="list-style-type: none"> • 0x30 for the 6 months prior to case number assignment and no more than 1x30 for the previous 6 months for all mortgages on the subject property. The borrower must have made the payments for all mortgages secured by the subject property within the month due for the month prior to mortgage disbursement. Accordingly, updated subject property mortgage(s) ratings showing 0x30 through closing are required. • A Borrower who was granted mortgage payment forbearance on the subject property is eligible and considered to have acceptable mortgage payment history provided that, at the time of case number assignment, the borrower has: <ul style="list-style-type: none"> ○ Completed the forbearance plan on the subject property; and ○ Made at least three consecutive monthly mortgage payments within the month due on the mortgage since completing the forbearance plan. • If the mortgage on the subject property is not reported in the borrower's credit report, the mortgagee must obtain a verification of mortgage to evidence payment history for the previous 12 months. Where a mortgage reflects payments under a modification or forbearance plan within the 12 months prior to case number assignment, the mortgagee must obtain: <ul style="list-style-type: none"> ○ A copy of the modification or forbearance plan; and ○ Evidence of the payment amount and date of payments during the agreement term. <p>Documentation of a forbearance plan is not required if the forbearance was due to the impacts of the COVID-19 National Emergency.</p>
Employment / Income	<p>The borrower's application must indicate their income source; however, the income is not required to be listed on the application, just the source of the income. Form 4506-T is not required.</p> <p><u>Verification of Employment:</u></p> <ul style="list-style-type: none"> • <u>Employed/Wage Earner:</u> VVOE must be dated within 10 calendar days prior to the Note date. • <u>Self-Employed:</u> VVOE must be dated within 20 calendar days prior to funding. • <u>Retirement:</u> Award letter or most recent bank
Escrow Holdback	Ineligible
Escrow Waivers	Ineligible

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Geographic Locations/ Restrictions, as applicable	<p><u>Ineligible States:</u> DE, MA, ME, MO, WY</p> <p><u>New York Consolidation, Extension & Modification Agreement (NY CEMA)</u> For all Impac refinance products, property located in the state of New York may be structured as a Consolidation, Extension, and Modification Agreement (CEMA) transaction. The most current version of Fannie Mae/Freddie Mac Uniform Instrument (Form 3172) must be used. The following documentation must be provided:</p> <ul style="list-style-type: none"> • NY Consolidation, Extension and Modification Agreement (Form 3172) • Original Note(s) – Original documents signed by the borrower • Gap Note and Gap Mortgage, if applicable • Consolidated Note – Original documents signed by the borrower • Exhibit A – Listing of all Notes & Mortgages being consolidated, extended and modified • Exhibit B – Legal description of the subject property • Exhibit C – Copy of the consolidated Note • Exhibit D – Copy of the consolidated Mortgage <p>Lost Note Affidavits are not an acceptable substitute for any of the required documents. If original documentation cannot be provided per above, then a CEMA is not allowed.</p> <p><u>Hawaiian Lava-Flow Hazard Zones:</u> The U.S. Geological Survey (USGS) categorizes the <u>island of Hawaii</u> into nine “lava zones” based on each zone’s probability of exposure to lava flows caused by volcanic eruption. Properties in lava zones 1 and 2 are not eligible for loans funded or purchased by Impac Mortgage Corp. due to increased risk of property destruction from lava flows within these areas. The Hawaii Lava-Flow Hazard Zone Map can be accessed at: http://hvo.wr.usgs.gov/hazards/FAQ_LavaFlowHazardZone/ and http://pubs.usgs.gov/mf/1992/2193/</p> <p><u>Texas Cash-Out 50(a)(6):</u> Ineligible</p> <p>State specific regulatory requirements supersede all underwriting guidelines set forth by Impac.</p>
High-Cost Mortgage Loans	Impac does not originate or purchase high-cost mortgage loans (12 CFR 1026.32)
Maximum Mortgage Amortization Period	The maximum amortization period of a streamline refinance is limited to the lesser of: <ul style="list-style-type: none"> • The remaining amortization period of the existing mortgage plus 12 years; or • 30 years.
Loan Amount	Minimum loan amount is \$100,000
Loan Purpose	<p>An FHA streamline refinance is the refinance of a current FHA Mortgage Lien. The proceeds of the new mortgage are used to extinguish an existing FHA-insured first mortgage lien. However, FHA will not issue a case number for a streamline refinance where the existing mortgage to be paid is a 203(k) mortgage and the rehabilitation escrow closeout has not been completed.</p> <p><u>Texas Loans:</u> When FHA insured financing is permitted in the state of Texas, no cash back to the borrower is permitted (not even one dollar is permitted).</p> <p>Properties listed for sale in the last 6 months are eligible as follows.</p> <ul style="list-style-type: none"> • Property has been taken off the market on or before the application date. • Borrower provides written confirmation of their intent to occupy.
Loan Seasoning	<p><u>Mortgage Seasoning Requirements</u> On the date of the FHA case number assignment:</p> <ul style="list-style-type: none"> • 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 six 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 disbursement 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 <p><u>Additional GNMA Requirements:</u></p> <ul style="list-style-type: none"> • The borrower must have made at least six consecutive monthly payments on the loan being refinanced, referred to hereinafter as the Initial Loan, beginning with the payment made on the first payment due date; and • The first payment due date of the new refinance loan occurs no earlier than 210 days after the first payment due date of the initial loan.

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Maximum Mortgage Calculation	<p>For primary residences, the maximum base loan amount for streamline refinances is:</p> <ul style="list-style-type: none"> • The lesser of: <ul style="list-style-type: none"> ○ The outstanding principal balance of the existing mortgage as of the month prior to mortgage disbursement; plus: <ul style="list-style-type: none"> ▪ Interest due on the existing mortgage; ▪ Late charges; ▪ Escrow shortages; and ▪ MIP due on existing mortgage; or ○ The original principal balance of the existing mortgage (including financed UFMIP); • Less any refund of UFMIP. <p>The mortgagee may utilize estimates in calculating the maximum mortgage amount to the extent that the total mortgage amount does not result in the borrower receiving greater than \$500 cash back at mortgage disbursement. Cash to the borrower resulting from the refund of borrower's unused escrow balance from the previous mortgage must not be considered in the \$500 cash back limit whether received at or subsequent to mortgage disbursement. When the estimates utilized in calculating the maximum mortgage amount resulted in greater than \$500 cash back to the borrower at mortgage disbursement, mortgagees may reduce the borrower's outstanding principal balance to satisfy the \$500 cash back requirement.</p> <p><u>Required Documentation:</u></p> <ul style="list-style-type: none"> • Mortgage note for the FHA-insured loan being refinanced; and • Payoff statement on the FHA-insured loan being refinanced. 																																																																																												
Mortgage Insurance	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr style="background-color: #0056b3; color: white;"> <th colspan="4" style="text-align: center;">Upfront Mortgage Insurance Premium (UFMIP)</th> </tr> <tr> <td colspan="4" style="padding: 2px;">Refinancing existing FHA loans that were endorsed after May 31, 2009: 175 basis points (bps) (1.75%) of the Base Loan Amount</td> </tr> <tr> <td colspan="4" style="padding: 2px;">Refinancing existing FHA loans that were endorsed on or before May 31, 2009: 1 basis point (bps) (0.1%) of the Base Loan Amount</td> </tr> </table> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr style="background-color: #0056b3; color: white;"> <th colspan="4" style="text-align: center;">Annual Mortgage Insurance Premium (MIP) (For refinance of existing FHA loans that were endorsed after May 31, 2009)</th> </tr> <tr style="background-color: #e1eef6;"> <th colspan="4" style="text-align: center;">Mortgage Term of More Than 15 Years</th> </tr> <tr style="background-color: #e1eef6;"> <th style="width: 25%;">Base Loan Amount</th> <th style="width: 25%;">LTV</th> <th style="width: 25%;">MIP (bps)</th> <th style="width: 25%;">Duration</th> </tr> <tr> <td rowspan="3" style="text-align: center;">≤ \$625,500</td> <td style="text-align: center;">≤ 90.00%</td> <td style="text-align: center;">80</td> <td style="text-align: center;">11 years</td> </tr> <tr> <td style="text-align: center;">> 90.00% but ≤ 95.00%</td> <td style="text-align: center;">80</td> <td style="text-align: center;">Mortgage term</td> </tr> <tr> <td style="text-align: center;">> 95.00%</td> <td style="text-align: center;">85</td> <td style="text-align: center;">Mortgage term</td> </tr> <tr> <td rowspan="3" style="text-align: center;">> \$625,500</td> <td style="text-align: center;">≤ 90.00%</td> <td style="text-align: center;">100</td> <td style="text-align: center;">11 years</td> </tr> <tr> <td style="text-align: center;">> 90.00% but ≤ 95.00%</td> <td style="text-align: center;">100</td> <td style="text-align: center;">Mortgage term</td> </tr> <tr> <td style="text-align: center;">> 95.00%</td> <td style="text-align: center;">105</td> <td style="text-align: center;">Mortgage term</td> </tr> <tr style="background-color: #e1eef6;"> <th colspan="4" style="text-align: center;">Mortgage Term of Less than or Equal to 15 Years</th> </tr> <tr style="background-color: #e1eef6;"> <th style="width: 25%;">Base Loan Amount</th> <th style="width: 25%;">LTV</th> <th style="width: 25%;">MIP (bps)</th> <th style="width: 25%;">Duration</th> </tr> <tr> <td rowspan="2" style="text-align: center;">≤ \$625,500</td> <td style="text-align: center;">≤ 90.00%</td> <td style="text-align: center;">45</td> <td style="text-align: center;">11 years</td> </tr> <tr> <td style="text-align: center;">> 90.00%</td> <td style="text-align: center;">70</td> <td style="text-align: center;">Mortgage term</td> </tr> <tr> <td rowspan="3" style="text-align: center;">> \$625,500</td> <td style="text-align: center;">≤ 78.00%</td> <td style="text-align: center;">45</td> <td style="text-align: center;">11 years</td> </tr> <tr> <td style="text-align: center;">> 78.00% but ≤ 90.00%</td> <td style="text-align: center;">70</td> <td style="text-align: center;">11 years</td> </tr> <tr> <td style="text-align: center;">> 90.00%</td> <td style="text-align: center;">95</td> <td style="text-align: center;">Mortgage term</td> </tr> </table> <table border="1" style="width: 100%; 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Net Tangible Benefit	<p>The mortgagee must determine that there is a net tangible benefit to the borrower meeting the standards in the charts below for all Streamline Refinance transactions. A net tangible benefit is a reduced Combined Rate, a change from an ARM to a fixed rate mortgage, and/or a reduced term that results in a financial benefit to the borrower. Combined Rate refers to the interest rate on the mortgage plus the Mortgage Insurance Premium (MIP) rate. Reduction in term refers to the reduction of the remaining amortization period of the existing mortgage.</p>																																																																																												

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	<p><u>Refinances without a Term Reduction or with a Term Reduction of Less Than Three Years:</u></p> <table border="1" style="width: 100%; border-collapse: collapse; margin-bottom: 10px;"> <thead> <tr> <th style="width: 25%;"></th> <th colspan="3" style="text-align: center; background-color: #4F81BD; color: white;">To</th> </tr> <tr> <th style="background-color: #4F81BD; color: white;">From</th> <th style="background-color: #4F81BD; color: white;">Fixed Rate New Combined Rate</th> <th style="background-color: #4F81BD; color: white;">One-Year ARM New Combined Rate</th> <th style="background-color: #4F81BD; color: white;">Hybrid ARM New Combined Rate</th> </tr> </thead> <tbody> <tr> <td>Fixed Rate</td> <td>At least 0.5 percentage points below the prior Combined Rate</td> <td>At least 2 percentage points below the prior Combined Rate</td> <td>At least 2 percentage points below the prior Combined Rate</td> </tr> <tr> <td>Any ARM with less than 15 months to next payment change date</td> <td>No more than 2 percentage points above the prior Combined Rate</td> <td>At least 1 percentage point below the prior Combined Rate</td> <td>At least 1 percentage point below the prior Combined Rate</td> </tr> <tr> <td>Any ARM with greater than or equal to 15 months to next payment date</td> <td>No more than 2 percentage points above the prior Combined Rate</td> <td>At least 2 percentage points below the prior Combined Rate</td> <td>At least 1 percentage point below the prior Combined Rate</td> </tr> </tbody> </table> <p><u>Refinances with a Term Reduction of Three Years or More:</u> In addition to meeting the requirements below, the combined principal, interest, and MIP payment of the new mortgage must not exceed the combined principal, interest, and MIP payment of the refinanced mortgage by more than \$50.</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-bottom: 10px;"> <thead> <tr> <th style="width: 25%;"></th> <th colspan="3" style="text-align: center; background-color: #4F81BD; color: white;">To</th> </tr> <tr> <th style="background-color: #4F81BD; color: white;">From</th> <th style="background-color: #4F81BD; color: white;">Fixed Rate New Combined Rate</th> <th style="background-color: #4F81BD; color: white;">One-Year ARM New Combined Rate</th> <th style="background-color: #4F81BD; color: white;">Hybrid ARM New Combined Rate</th> </tr> </thead> <tbody> <tr> <td>Fixed Rate</td> <td>Below the prior Combined Rate</td> <td style="text-align: center;">N/A</td> <td style="text-align: center;">N/A</td> </tr> <tr> <td>Any ARM with less than 15 months to next payment change date</td> <td>No more than 2 percentage points above the prior Combined Rate</td> <td style="text-align: center;">N/A</td> <td style="text-align: center;">N/A</td> </tr> <tr> <td>Any ARM with greater than or equal to 15 months to next payment date</td> <td>No more than 2 percentage points above the prior Combined Rate</td> <td style="text-align: center;">N/A</td> <td style="text-align: center;">N/A</td> </tr> </tbody> </table>		To			From	Fixed Rate New Combined Rate	One-Year ARM New Combined Rate	Hybrid ARM New Combined Rate	Fixed Rate	At least 0.5 percentage points below the prior Combined Rate	At least 2 percentage points below the prior Combined Rate	At least 2 percentage points below the prior Combined Rate	Any ARM with less than 15 months to next payment change date	No more than 2 percentage points above the prior Combined Rate	At least 1 percentage point below the prior Combined Rate	At least 1 percentage point below the prior Combined Rate	Any ARM with greater than or equal to 15 months to next payment date	No more than 2 percentage points above the prior Combined Rate	At least 2 percentage points below the prior Combined Rate	At least 1 percentage point below the prior Combined Rate		To			From	Fixed Rate New Combined Rate	One-Year ARM New Combined Rate	Hybrid ARM New Combined Rate	Fixed Rate	Below the prior Combined Rate	N/A	N/A	Any ARM with less than 15 months to next payment change date	No more than 2 percentage points above the prior Combined Rate	N/A	N/A	Any ARM with greater than or equal to 15 months to next payment date	No more than 2 percentage points above the prior Combined Rate	N/A	N/A
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Occupancy	Primary residence only. The mortgagee must review the borrower's employment documentation or obtain utility bills to evidence that the borrower currently occupies the property as their primary residence.																																								
Prepayment Penalty	Not permitted																																								
Program Exclusions	HUD Section 184 Indian Home Loan Guarantee Program HUD Section 247 Hawaiian Home Lands																																								
Property Types	<p><u>Eligible:</u></p> <ul style="list-style-type: none"> 1-4 unit attached or detached SFR or PUD Condominiums <p><u>Ineligible:</u></p> <ul style="list-style-type: none"> Manufactured Homes Condo Hotels Co-ops Properties located within designated Coastal Barrier Resource System (CBRS) areas Properties that require water purification systems are ineligible 																																								
Refinance Authorization	The mortgagee must obtain a Refinance Authorization Number from FHA Connections (FHAC) for all FHA-to-FHA refinances.																																								
Secondary Financing	<p>Existing subordinate financing, in place at the time of case number assignment, must be resubordinated to the Streamline Refinance. New subordinate financing is permitted only where the proceeds of the subordinate financing are used to:</p> <ul style="list-style-type: none"> Reduce the principal amount of the existing FHA-insured mortgage; or Finance the origination fees, other closing costs, prepaid items, or discount points associated with the refinance. <p>There is no maximum CLTV. Mortgagees must contact the National Servicing Center for processing of any HUD-held lien subordination.</p>																																								

FHA Streamline – Non-Credit Qualifying

Temporary Buydown	Not permitted
Underwriting	<p>Loan must be manually underwritten by a DE Underwriter. A manual underwriting credit and capacity analysis of the borrower is not required. Loans should not be scored through TOTAL Mortgage Scorecard.</p> <p>The DE Underwriter must sign and use their CHUMS identification number on page 3 of the HUD Addendum 92900A and Page 1 of the FHA Loan Underwriting and Transmittal Summary. The Loan Application (URLA) plus the HUD Addendum 92900A must be complete and fully executed by all borrowers prior to underwriting.</p>
URLA Requirements	<p>Mortgagees may use an abbreviated Uniform Residential Loan Application (URLA, Fannie Mae Form 1003/Freddie Mac Form 65). Mortgagees using the existing URLA are not required to complete sections IV, V, VI, and VIII (a-k). Mortgagees using the redesigned URLA are not required to complete sections 1b-1e, 2, 3, or 5, with the exception of 5a.A (Occupancy), which must be answered.</p>

FHA MAXIMUM MORTGAGE CALCULATION WORKSHEET

FOR NON-CREDIT QUALIFYING STREAMLINE REFINANCES - PRIMARY RESIDENCE ONLY

Borrower Name(s): _____ **IMPAC Loan #:** _____ **FHA Case #:** _____

Step One: Outstanding Principal Balance

- | | | |
|----|---|----------|
| 1. | The outstanding principal balance of the existing FHA-insured mortgage as of the month prior to mortgage disbursement | \$ _____ |
| 2. | Plus interest due on the existing mortgage (may not include delinquent interest) | \$ _____ |
| 3. | Plus late charges, escrow shortages and MIP due on the existing mortgage | \$ _____ |
| 4. | Total | \$ _____ |

Step Two: Original Principal Balance

- | | | |
|----|--|----------|
| 5. | The original principal balance of the existing FHA-insured mortgage (including financed UFMIP) | \$ _____ |
|----|--|----------|

Step Three: Maximum Loan Amount

- | | | |
|-----|---|----------|
| 6. | The <u>lesser</u> of Step One (#4) or Step Two (#5) | \$ _____ |
| | Subtract (-) | |
| 7. | Any refund of Upfront Mortgage Insurance (UFMIP) | \$ _____ |
| 8. | Maximum Base Loan Amount | \$ _____ |
| 9. | Plus <u>new</u> UFMIP (if financed) | \$ _____ |
| 10. | New Total Loan Amount | \$ _____ |