



FHA 203(b) STREAMLINE REFINANCE

PROGRAM SPECIFICATIONS	
Description	Streamline Refinance refers to a refinance of an existing FHA-insured Mortgage requiring limited Borrower credit documentation and underwriting. There are two different streamline options available: <ul style="list-style-type: none"> • Credit Qualifying • Non-Credit Qualifying Mortgagees must manually underwrite all Streamline Refinances in accordance with the guidance provided in the 4000.1.
Channels	<ul style="list-style-type: none"> • Broker • Correspondent <ul style="list-style-type: none"> ○ Non-Delegated UW ○ Delegated UW
FICO	Minimum Qualifying Credit Scores: <ul style="list-style-type: none"> • 580 for all qualifying borrowers Non-Credit Qualifying Streamlines: <ul style="list-style-type: none"> • Require a soft pull credit report with one bureau. Reflected score must be a 580 or higher and show current mortgage payment history.
UW Method	Manual Underwriting Important: Streamlines may be scored through TOTAL Mortgage Scorecard but the findings are invalid.
Mortgage Seasoning Requirements	On the date of the FHA case number assignment: <ul style="list-style-type: none"> • the Borrower must have made at least six payments on the FHA-insured Mortgage that is being refinanced; • 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. Refer to Mortgagee Letter 2020-30 for policy changes for borrowers with previous Mortgage Payment Forbearance (COVID-19 and Non-COVID-19 forbearances). The policy change in ML 2020-30 is not temporary and will be incorporated into the applicable sections in the SF Handbook 4000.1.
Eligible Terms	<ul style="list-style-type: none"> • 10Yr., 15Yr., 20Yr., 25Yr., 30Yr. Fixed
Eligible Property Types	<ul style="list-style-type: none"> • 1-4 Units Primary Residences • FHA Approved Condominiums • Manufactured Housing • PUDs Note: Non Owner-Occupied properties are not permitted
Geographic Restrictions	<ul style="list-style-type: none"> • Hawaii <ul style="list-style-type: none"> ○ AFR does not operate in the state of Hawaii and does not permit loans with a subject property in Hawaii for all programs in all channels with the exception of Correspondent Delegated UW transactions. • AFR requires the use of AFR's Texas counsel on all Texas transactions with the exception of Correspondent Delegated loans. AFR utilizes this 3rd party for document preparation and require 48 hours for both title review and to generate a closing package.
4000.1	http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/handbook_4000-1
Forms	See FORMS Section in the Resource Center
OVERLAYS	
Follow all overlays outlined in the FHA 203(b) Program Matrix <u>and</u> : <ul style="list-style-type: none"> • AFR will require a Disaster Report when a property is in a Presidentially Declared Major Disaster Area (PDMDA). <ul style="list-style-type: none"> ○ All properties in a PDMDA must have a damage inspection report (disaster report) that identifies and quantifies any dwelling damage. ○ The disaster report must be dated after the Incident Period (as defined by FEMA). ○ FHA does not require the Appraiser to ensure utilities are on at the time of this inspection if they have not yet been restored for the area. ○ All damages must be repaired by licensed contractors or per local jurisdictional requirements. All damages, regardless of amount, must be repaired and the Property restored to pre-loss condition with the appropriate and applicable documentation. 	