



## FHA Streamline Refinance Product Profile: Correspondent

NewRez overlays are identified with yellow highlighting

| FHA STREAMLINE REFINANCE ELIGIBILITY MATRIX   |                                 |              |      |      |                  |
|---|---------------------------------|--------------|------|------|------------------|
| Primary Residence and Non-owner Occupied  |                                 |              |      |      |                  |
| Units   | Transaction Type                | Credit Score | LTV  | CLTV | DTI              |
| 1-4 <sup>1</sup>  | Non-Credit Qualify <sup>2</sup> | 580          | 105% | 125% | NA               |
|   | Credit Qualify                  |              |      |      | 50% <sup>3</sup> |
| <sup>1</sup> 1-unit manufactured home<br><sup>2</sup> West Virginia: Non-Credit Qualified loan not permitted. All loans must be credit qualified<br><sup>3</sup> DTI >31/43 requires compensating factors in accordance with FHA guidelines<br>Principal balance may not exceed original loan amount of loan being refinanced |                                 |              |      |      |                  |

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| 1. Loan Terms                         | <ul style="list-style-type: none"> <li>The new mortgage may not have a term of more than 12 years in excess of the unexpired term of the existing mortgage</li> <li>Fixed Rate: 10- to 30-year terms in annual increments</li> <li>ARMs: 30-year terms               <ul style="list-style-type: none"> <li>Non-owner occupied not permitted</li> </ul> </li> </ul>  |  |  |  |                 |
| 2. Product Codes                      | Y11  | FHA Fixed Rate 10 Year                             | Y13  | High-Balance FHA Fixed Rate 10 Year                          |                 |
|                                       | 050  | FHA Fixed Rate 15 Year                             | V50  | High-Balance FHA Fixed Rate 15 Year                          |                 |
|                                       | Y10  | FHA Fixed Rate 20 Year                             | Y12  | High-Balance FHA Fixed Rate 20 Year                          |                 |
|                                       | 051  | FHA Fixed Rate 30 Year                             | V44  | High-Balance FHA Fixed Rate 30 Year                          |                 |
|                                       | GG3  | FHA 5/1 Hybrid ARM (45 day look-back) 1/1/5 Cap    | GG5  | High-Balance FHA 5/1 Hybrid ARM (45 day look-back) 1/1/5 Cap |                 |
| 3. Eligible Programs                  | 203(b) 1-4 Family Home Mortgage Insurance program  |  |  |  |                 |
| 4. Current First Mortgage Eligibility | <ul style="list-style-type: none"> <li>Existing endorsed FHA mortgage</li> <li>As of the new FHA case number assignment date:               <ul style="list-style-type: none"> <li>at least 210 days must have passed since the closing-funding date of the existing mortgage</li> <li>the borrower must have made at least six consecutive monthly payments on the existing mortgage, beginning with the payment made on the first payment due date, and</li> <li>at least six full months have passed since the first payment due date on the mortgage being refinanced</li> <li>deferred or skipped mortgage payments due to forbearance are not counted toward seasoning and minimum number of payments requirements</li> </ul> </li> <li>The first payment due date of the new mortgage occurs no earlier than 210 days after the first payment due date of the existing mortgage</li> <li>For existing mortgages that have been modified, the first payment due date of new mortgage must be on or after the later of:               <ul style="list-style-type: none"> <li>The date that is 210 days after the date on which the first modified monthly payment was due on the mortgage being refinanced, and</li> <li>The date on which six modified payments have been made on the mortgage being refinanced</li> </ul> </li> </ul> |  |  |  |                 |
| 5. ARM Adjustments                    | Index  | One Year Treasury Bill per the Wall Street Journal |  |  |                 |
|                                       | Margin   | 2.00%  |  |  |                 |
|                                       | Life Caps  | 5%   |  |  |                 |
|                                       | Life Floor   | The Floor is the Margin                            |  |  |                 |
|                                       | Interest Rate Caps   | <b>Product</b>                                     | <b>First</b>   | <b>Subsequent</b>  | <b>Lifetime</b> |
|                                       |  | 5/1  | 1%   | 1%   | 5%              |
|                                       | Change Date  | 5/1  | The first Change Date is the 61 <sup>st</sup> payment due date. Subsequent Change Dates are every twelve months thereafter |  |                 |
| Conversion Option                     | Not available  |  |  |  |                 |
| 6. Temporary Buydown                  | Not permitted  |  |  |  |                 |

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| <b>7. Net Tangible Benefit</b> | <ul style="list-style-type: none"> <li>The borrower must receive a Net Tangible Benefit (NTB) resulting from the streamline refinance transaction</li> <li>Delegated Clients are responsible for determining when NTB is met</li> <li>Non-Delegated Clients               <ul style="list-style-type: none"> <li>Complete the product specific worksheet for FHA Streamline Refi</li> <li>State Specific forms required for the following states: CO, MA, MD, ME, RI, SC, VA, and WV</li> </ul> </li> <li>A Net Tangible Benefit is               <ul style="list-style-type: none"> <li>a reduced Combined Rate;</li> <li>a change from an ARM to a Fixed Rate; and/or</li> <li>a reduced term that results in a financial benefit to the borrower (reduction in term by itself is not an NTB)</li> </ul> </li> <li>Combined Rate Reduction refers to the interest rate on the mortgage plus the MIP rate</li> <li>Reduction in Term refers to the reduction of the remaining amortization period of the existing mortgage by three years or more</li> </ul> |   |  |   |
|                                | <b>Combined Rate Benefit Test (with no term reduction or term reduction of less than three years)</b>   |   |  |   |
|                                | <ul style="list-style-type: none"> <li>The following defines the permissible minimum thresholds to define net tangible benefit</li> </ul>   |   |  |   |
|                                | <b>From</b>   | <b>To</b>   | <b>Fixed Rate</b>  | <b>ARM</b>  |
|                                | Fixed Rate  |   | New Combined Rate at least 0.5% below prior Combined Rate                      | New Combined Rate at least 2% below prior Combined Rate |
|                                | ARM   |   | New Combined Rate no more than 2% above prior Combined Rate                    | New Combined Rate at least 1% below prior Combined Rate |
|                                | <b>Reduction in Term Benefit Test</b>   |   |  |   |
|                                | <ul style="list-style-type: none"> <li>Must meet the permissible minimum thresholds stated below</li> <li>Combined principal, interest and annual MIP payment of the new mortgage does not exceed the combined principal, interest, and annual MIP of the existing mortgage by more than \$50</li> </ul>  |   |  |   |
|                                | <b>From</b>   | <b>To</b>   | <b>Fixed Rate</b>  | <b>ARM</b>  |
|                                | Fixed Rate  |   | New Combined Rate below prior Combined Rate                                    | Not eligible  |
| ARM                            |   | New Combined Rate no more than 2% above prior Combined Rate | Not eligible   |   |
| <b>Examples</b>                | <b>New Combined Rate</b>  | <b>Prior Combined Rate</b>                                  | <b>Loan Eligibility</b>  |   |
| Fixed Rate                     | Interest Rate 3.00%<br>MIP 0.85%<br>Total 3.85%   | Interest Rate 4.50%<br>MIP 1.35%<br>Total 5.85%             | Loan is eligible; new Combined Rate is more than .5% below prior Combined Rate |   |
| ARM                            | Interest Rate 4.00%<br>MIP 0.55%<br>Total 4.55%   | Interest Rate 2.00%<br>MIP 0.50%<br>Total 2.50%             | Loan is ineligible; new Combined Rate is more than                             |   |

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|                              |   |  | Total  | 2% above prior Combined Rate |
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| <b>8. Statutory Limits</b>   | <ul style="list-style-type: none"> <li>Max Base Mortgage may exceed the current <a href="#">Statutory Loan Limits</a></li> <li>Max Base Mortgage may not exceed the Total Loan Amount on the existing mortgage, including UFMIP</li> <li>Min loan amounts for the FHA High-Balance product will be based on the Base Loan Amount and not the Total Loan Amount that includes financed UFMIP</li> <li>Total Loan Amount must be rounded down to the nearest \$1.00</li> </ul>  |  |  |                              |
| <b>9. Loan Amount</b>        | <ul style="list-style-type: none"> <li>Use original loan amount on FHA Connection Refinance Authorization Screen, even if loan has been modified</li> <li>Owner Occupied Property               <ul style="list-style-type: none"> <li>Max base mortgage amount is limited to lesser of original principal amount of existing mortgage or UPB plus max of two months of interest and pro rata annual MIP, late charges, escrow shortages minus any unearned UFMIP</li> </ul> </li> <li>Non-owner Occupied Property               <ul style="list-style-type: none"> <li>Max base mortgage amount is limited to lesser of original principal amount of existing mortgage or UPB</li> </ul> </li> <li>Max mortgage amount calculation to be documented using FHA Maximum Refinance Calculation Worksheet or similar summary of component costs and credits to calculate final mortgage amount</li> <li>FHA-to-FHA Refinance: Refinance Authorization Information must be obtained at Case Number Assignment</li> <li>Incidental cash back up to \$500</li> <li>Premium pricing permitted</li> </ul> |  |  |                              |
| <b>10. Manual Underwrite</b> | All Streamline refinances must be manually underwritten and meet FHA and Newrez underwriting requirements   |  |  |                              |
| <b>11. Qualifying Rate</b>   | <ul style="list-style-type: none"> <li>Credit Qualifying Refi: Note rate</li> <li>Non-Credit Qualifying Refi: Not applicable</li> </ul>   |  |  |                              |
| <b>12. Qualifying Ratios</b> | Qualifying ratios for Credit Qualified loans  |  |  |                              |
|                              | <b>Decision</b>   | <b>Ratios</b>  | <b>Acceptable Compensating Factors</b>   |                              |
|                              | Manual Underwrite   | 31/43  | <ul style="list-style-type: none"> <li>No compensating factors required</li> <li>Energy Efficient Homes that exceed IECC standards may qualify for stretch ratios 33/45</li> </ul> |                              |
| 37/47                        |   | One of the following: <ul style="list-style-type: none"> <li>3 months PITI for 1-2 units or 6 months PITI for 3-4 units (includes standard reserve requirements)</li> <li>New total mortgage payment not more than \$100 or 5% higher than previous total housing payment, whichever is less, AND 1x30x12 month housing history (cash-out 0x30x12). Must have housing payment history to use as a comp factor</li> <li>Residual income per <a href="#">VA Table of Residual Incomes by Region</a></li> </ul> |  |                              |

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|                                      |   | 40/40 | <p>The borrower has no discretionary debt based on the following:</p> <ul style="list-style-type: none"> <li>The housing payment is the only open account with an outstanding balance that is not paid off monthly</li> <li>The credit report shows established credit lines in the borrower's name open for at least six months</li> </ul> <p>The borrower can document that these accounts have been paid off in full monthly for at least the past six months</p>   |
|                                      |   | 40/50 | <p>Two of the following:</p> <ul style="list-style-type: none"> <li>3 months PITI for 1-2 units or 6 months PITI for 3-4 units (includes standard reserve requirements)</li> <li>New total mortgage payment not more than \$100 or 5% higher than previous total housing payment, whichever is less, and 1x30x12 housing history (cash-out 0x30 in last 12 months)</li> <li>Significant additional income not considered effective income (must verify and document that the income has been received for at least one year and likely to continue AND if included as income, would reduce the qualifying ratios to not more than 37/47)</li> <li>Residual income per <u>VA Table of Residual Incomes by Region</u></li> </ul> |
| 13. Types of Financing               | <ul style="list-style-type: none"> <li>Credit Qualifying Streamline Refinance</li> <li>Non-Credit Qualifying Streamline Refinance</li> </ul>  |       |  |
| 14. Texas Owner-Occupied Properties  | <ul style="list-style-type: none"> <li>Owner occupied properties with a first mortgage or second lien subject to Texas Section 50(a)(6) not permitted</li> <li>A copy of the current mortgage or note is required to determine if the terms are subject to Texas Section 50(a)(6) (also known as Home Equity Deed of Trust, Home Equity Installment Contract or Residential Home Loan Deed of Trust) (Non-Delegated Clients only)</li> <li>Eligible transactions not subject not 50(a)(6); the borrower may not receive cash back at closing</li> </ul> |       |  |
| 15. Subordinate Financing            | Existing subordinated financing   |       |  |
| 16. Ineligible Subordinate Financing | New subordinate financing   |       |  |
| 17. Occupancy                        | <ul style="list-style-type: none"> <li>Primary residence</li> <li>Non-owner occupied <ul style="list-style-type: none"> <li>Second home</li> <li>Investment property</li> </ul> </li> <li>Provide evidence that the borrower currently occupies the property as their primary residence as of case number assignment date with one of the following: <ul style="list-style-type: none"> <li>employment documentation, or</li> </ul> </li> </ul>   |       |  |

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|                                      | <ul style="list-style-type: none"> <li>○ current utility bill</li> <li>○ loan must be processed as a non-owner-occupied property if evidence cannot be obtained</li> </ul>  |  |
| <b>18. Eligible Property Types</b>   | <ul style="list-style-type: none"> <li>• 1-4 units</li> <li>• Condos               <ul style="list-style-type: none"> <li>○ Must be unexpired on FHA's approved list</li> <li>○ Site condos do not require project approval</li> <li>○ <b>NewRez will not issue a DELRAP approval</b></li> </ul> </li> <li>• Leasehold estates</li> <li>• Manufactured housing</li> <li>• Modular homes</li> <li>• PUDs</li> </ul>  |  |
| <b>19. Ineligible Property Types</b> | <ul style="list-style-type: none"> <li>• Condo hotels</li> <li>• Co-ops</li> <li>• Non-warrantable condos</li> </ul>  |  |
| <b>20. Ineligible States</b>         | Ineligible for NewRez Underwriting <ul style="list-style-type: none"> <li>• Alaska</li> <li>• New York</li> </ul>   |  |
| <b>21. Eligible Borrowers</b>        | <ul style="list-style-type: none"> <li>• U.S. citizens</li> <li>• Permanent resident alien</li> <li>• Non-permanent resident alien</li> <li>• Inter vivos revocable trust: Trust must be reviewed by NewRez legal for Non-Delegated Clients</li> <li>• Provide copy of Social Security Card or processed Authorization to Release Social Security Number Form SSA-89</li> <li>• Verification of citizenship and immigration status not required for Non-Credit Qualifying Streamline Refinance</li> </ul> |  |
| <b>22. Adding a Co-Borrower</b>      | <ul style="list-style-type: none"> <li>• Occupant co-borrower may be added</li> <li>• An individual may be added to title</li> <li>• Non-occupant co-borrower or co-signer may not be added</li> </ul>  |  |
| <b>23. Removing a Co-Borrower</b>    | <b>Credit Qualifying Refi</b>   | <b>Non-Credit Qualifying</b>   |
|                                      | <ul style="list-style-type: none"> <li>• Borrowers may be removed provided the remaining borrower qualifies for the new mortgage</li> <li>• At least one borrower from the existing mortgage must remain as a borrower on the new mortgage</li> </ul>   | <ul style="list-style-type: none"> <li>• All borrowers on the existing mortgage must remain as borrowers on the new mortgage</li> <li>• Provide one of the following to confirm that the borrowers will remain the same               <ul style="list-style-type: none"> <li>• Copy of the Note</li> <li>• Verification of Mortgage</li> </ul> </li> <li>• Exception permitted in cases of divorce, separation, or death               <ul style="list-style-type: none"> <li>• Divorce decree or legal separation agreement awarded the property and</li> </ul> </li> </ul> |

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|                             |  | responsibility for payment to the remaining borrower, if applicable, and   |   |
|                             |  | <ul style="list-style-type: none"> <li>Remaining borrower has made minimum 6 months mortgage payment prior to the case number assignment</li> </ul>  |   |
| 24. Credit                  | <b>Credit Qualifying Refi</b>  | <b>Non-Credit Qualifying</b>   |   |
|                             | <ul style="list-style-type: none"> <li>Credit report required</li> <li>Credit report required if non-purchasing spouse resides in a community property state or if subject property is located in a community property state</li> <li>Non-traditional credit not permitted</li> <li>CAIVRS not required</li> </ul> | <ul style="list-style-type: none"> <li>Sections 1b-1e, 2, 3, or 5 of the URLA are not required (with the exception of 5a.A (Occupancy) that must be answered), provided all other required information is captured</li> <li>A traditional credit report or alternate report, such as the mortgage only report, that provides credit scores, and mortgage payment history is acceptable</li> <li>Fraud messages identified must be addressed</li> <li>The waiting period and re-establishment of credit requirements for significant derogatory credit are not required</li> <li>Judgments on the credit report do not need to be paid unless affects title</li> <li>Non-borrowing spouse: credit report not required</li> <li>Non-traditional credit not permitted</li> <li>CAIVRS not required</li> </ul> |   |
| 25. Housing Payment History | <ul style="list-style-type: none"> <li>Inclusive of all liens regardless of position</li> <li>Borrower must have made the payments for all mortgages secured by the subject property for the month prior to mortgage disbursement</li> </ul>   |  |   |
|                             |  | <b>Credit Qualifying Refi</b>  | <b>Non-Credit Qualifying Refi</b>   |
|                             | Housing Payment  | <ul style="list-style-type: none"> <li>Applies to all mortgages on all financed properties</li> <li>Prior to case number assignment date               <ul style="list-style-type: none"> <li>0x30 in past 6 months</li> <li>1x30 in months 7-12</li> <li>0x30 if fewer than 12 months payments have been made</li> </ul> </li> </ul>  | <ul style="list-style-type: none"> <li>Applies to all mortgages on subject property</li> <li>Prior to case number assignment date:               <ul style="list-style-type: none"> <li>0x30 in past 6 months</li> <li>1x30 in months 7-12</li> <li>0x30 if fewer than 12 months payments have been made</li> </ul> </li> </ul> |
| Installment Payment         | <ul style="list-style-type: none"> <li>0x30 in most recent 12 months</li> <li>2x30 in most recent months 13-24</li> </ul>  | Not applicable   |   |

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|  | Revolving Payment | <p>If the housing and installment payment history above is acceptable, the borrower's credit must not include any revolving accounts:</p> <ul style="list-style-type: none"> <li>• 90+ days late in most recent 12 months, or</li> <li>• 2x60 in most recent 12 months</li> </ul>  | Not applicable   |
|  | Forbearance       | <ul style="list-style-type: none"> <li>• A borrower granted forbearance and continued to make all mortgage payments will be considered on time provided the borrower exits forbearance prior to closing</li> <li>• Payments not made during a forbearance granted by a servicer that do not require payments to be made during the forbearance period, are not considered delinquent. Forbearance plans that require partial payments are not considered delinquent as long as payments are made in accordance with the terms of the <u>forbearance plan</u></li> </ul>  |  |
|  |                   | <ul style="list-style-type: none"> <li>• A borrower who is still in forbearance at the time of case number assignment or has made less than three consecutive monthly mortgage payments within the month due since exiting forbearance must:               <ul style="list-style-type: none"> <li>○ Have made all mortgage payments within the month due for the six months prior to forbearance; and</li> <li>○ Have had no more than 1x30 in months 7-12 prior to forbearance</li> </ul> </li> <li>• Seasoning requirements apply</li> </ul> <p>The following may be included in the loan amount:</p> <ul style="list-style-type: none"> <li>• For owner occupied properties, deferred mortgage payments (P&amp;I, escrow shortages, late charges) on the payoff statement, provided that the maximum base loan amount does not exceed the original</li> </ul> | <ul style="list-style-type: none"> <li>• A borrower who was granted a forbearance and missed payments or paid outside month due while in forbearance, prior to case number assignment must have:               <ul style="list-style-type: none"> <li>○ Exited the forbearance plan; and</li> <li>○ Made at least six consecutive mortgage payments within the month due since exiting the forbearance plan</li> <li>○ (Delegated Clients – Follow FHA)</li> </ul> </li> <li>• Seasoning requirements apply</li> </ul> <p>The following may be included in the loan amount:</p> <ul style="list-style-type: none"> <li>• For owner occupied properties, deferred mortgage payments (P&amp;I, escrow shortages, late charges) on the payoff statement, provided that the maximum base loan amount does not exceed the original</li> </ul> |

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|                       |   | <p>principal balance (including financed UFMIP) of the existing mortgage</p> <ul style="list-style-type: none"> <li>For non-owner occupied properties, the maximum base loan amount is the lesser of outstanding principal balance only or original principal balance minus any refund of UFMIP</li> </ul>     | <p>principal balance (including financed UFMIP) of the existing mortgage</p> <ul style="list-style-type: none"> <li>For non-owner occupied properties, the maximum base loan amount is the lesser of outstanding principal balance only or original principal balance minus any refund of UFMIP</li> </ul> |
|                       | Modified Mortgage   | <p>The borrower must have made</p> <ul style="list-style-type: none"> <li>At least six payments under the modification agreement</li> <li>At least six full months must have passed since the first payment due date of the mortgage that is being refinanced</li> <li>Seasoning requirements apply</li> </ul> |  |
| 26. Funds to Close    | <ul style="list-style-type: none"> <li>Must verify borrower's funds to close, in excess of the total mortgage payment on the new mortgage</li> <li>Source of large deposits required for Credit Qualifying Refinance</li> <li>Delegated Clients: Lender may provide an unsecured interest-free loan that is compliant with Federal and State law to establish a new escrow account in an amount not to exceed the present unused escrow balance on the existing mortgage</li> </ul>   |  |  |
| 27. Reserves          | <p>Credit Qualifying Refi</p> <ul style="list-style-type: none"> <li>1-2 units: One month PITI</li> <li>3-4 units: Three months PITI</li> <li>Gifts: not permitted</li> </ul> <p>Non-Credit Qualifying Refi</p> <ul style="list-style-type: none"> <li>Not required</li> </ul>  |  |  |
| 28. Employment/Income | <p>Credit Qualifying Refi</p> <ul style="list-style-type: none"> <li>Standard income documentation required</li> </ul> <p>Non-Credit Qualifying Income</p> <ul style="list-style-type: none"> <li>Employment and income do not need to be disclosed</li> <li>Illinois (Cook, Kane, Peoria, and Will Counties) <ul style="list-style-type: none"> <li>Income must be stated on the application</li> <li>Verification or analysis of income not required</li> </ul> </li> </ul>   |  |  |
| 29. IRS Form 4506-C   | <p>Credit Qualifying Refi</p> <ul style="list-style-type: none"> <li>Prior to Underwriting (NewRez underwritten loans) <ul style="list-style-type: none"> <li>Signed 4506-C for each borrower whose income must be documented with tax returns and used for qualification (self-employment, rental income, etc.)</li> </ul> </li> <li>At Closing (all loans) <ul style="list-style-type: none"> <li>4506-C for each borrower whose income is used to qualify (regardless of income type) must be signed at closing</li> </ul> </li> </ul> |  |  |

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|  |  |
|--|--|
|  | <ul style="list-style-type: none"> <li>○ 4506-C for the business tax return transcript(s) must be signed at closing when the business returns are used for qualification</li> </ul> <p>Non-Credit Qualifying Refi</p> <ul style="list-style-type: none"> <li>• Not required</li> </ul>   |
| <b>30. Number of Financed Properties</b> | Borrower may own no more than one FHA-insured primary residence  |
| <b>31. Appraisals</b>                    | <ul style="list-style-type: none"> <li>• No appraisal required</li> <li>• Kansas Primary Residence               <ul style="list-style-type: none"> <li>○ A valuation is required for primary residences. One of the following may be used to determine value:                   <ul style="list-style-type: none"> <li>• Most recent tax assessment value by county</li> <li>• 2055 Drive-by Appraisal Report</li> <li>• Newrez approved AVM (CoreLogic, Freddie Mac HVE, Black Knight Collateral Analytics)</li> </ul> </li> <li>○ If the LTV exceeds 100%, a Kansas High Loan-to-Value Notice must be provided to the borrower not less than three days prior to closing and a copy of the valuation provided to the borrower</li> </ul> </li> <li>• Properties located in a Presidentially-Declared Major Disaster Area do not require a damage inspection report</li> </ul> |
| <b>32. Power of Attorney</b>             | Permitted. See Client Guide  |
| <b>33. Principal Curtailment</b>         | The amount of the curtailment cannot exceed \$500 unless due to an excess Premium Pricing Credit   |
| <b>34. Escrow Waivers</b>                | Not permitted  |
| <b>35. Mortgage Insurance Premium</b>    | Required for all loans   |
| <b>36. Resources</b>                     | <p>Access Mortgagee Letters, National HOC Reference Guide, HOC Letters, Handbooks</p> <ul style="list-style-type: none"> <li>• <a href="#">HOC National Reference Guide</a></li> <li>• <a href="#">FHA Maximum County Limits</a></li> <li>• <a href="#">FHA Connection</a></li> <li>• <a href="#">HUD Forms, Handbook &amp; Mortgagee Letters</a></li> </ul>   |
| <b>37. Ineligible Programs</b>           | <ul style="list-style-type: none"> <li>• 203(k) Rehabilitation Mortgage</li> <li>• Energy Efficient Mortgages (EEM) (Non-Delegated Clients)</li> <li>• Good Neighbor Next Door</li> <li>• Graduated Payment Mortgage (GPM)</li> <li>• Growing Equity Mortgage (GEM)</li> <li>• Hope for Homeowners</li> <li>• HFA Programs</li> <li>• HUD REO Program</li> <li>• Indian Reservations (Section 184)</li> </ul>  |

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| 38. Mortgage Insurance Premiums  |   |         |                                |         |                                |         |
|--|---|---------|--------------------------------|---------|--------------------------------|---------|
| Case Numbers Assigned on or After January 26, 2015   |   |         |                                |         |                                |         |
| LTV<br>Loan Term   | Existing FHA Mortgage Endorsed<br>on or Before May 31, 2009<br>All loan amounts |         | Base Loan Amount<br>≤\$625,500 |         | Base Loan Amount<br>>\$625,500 |         |
|  | UFMIP   | Monthly | UFMIP                          | Monthly | UFMIP                          | Monthly |
| >95% LTV<br>>15 years  | .01%  | 55 bps  | 1.75%                          | 85 bps  | 1.75%                          | 105 bps |
| ≤95% LTV<br>>15 years  | .01%  | 55 bps  | 1.75%                          | 80 bps  | 1.75%                          | 100 bps |
| > 90% LTV<br>≤15 years   | .01%  | 55 bps  | 1.75%                          | 70 bps  | 1.75%                          | 95 bps  |
| > 78% and ≤90%<br>LTV<br>≤15 years   | .01%  | 55 bps  | 1.75%                          | 45 bps  | 1.75%                          | 70 bps  |
| ≤78% LTV<br>≤15 years  | .01%  | 55 bps  | 1.75%                          | 45 bps  | 1.75%                          | 45 bps  |
| Duration of Annual MIP based upon amortization term and LTV ratio at origination                     |   |         |                                |         |                                |         |
| <ul style="list-style-type: none"> <li>LTV ≤ 90% 11 years</li> <li>LTV &gt; 90% loan term</li> </ul> |   |         |                                |         |                                |         |

| 39. Version History                |   |                   |
|------------------------------------|---|-------------------|
| Section                            | Update  | Date              |
| Ineligible States                  | Permit HI for all Clients   | January 15, 2021  |
| Ineligible Property Types          | Manufactured housing not eligible in HI   |                   |
| Loan Amount                        | Added the following: Max base mortgage amount is limited to lesser of original principal amount of existing mortgage or UPB plus max of two months of interest and pro rata annual MIP, late charges, escrow shortages, minus any unearned UFMIP  | March 30, 2021    |
| Housing Payment History            | Clarified forbearance guidelines  | March 30, 2021    |
| Loan Term                          | <ul style="list-style-type: none"> <li>10- to 30-year terms in annual increments</li> <li>Removed Custom Loan Term information</li> </ul>   | April 15, 2021    |
| Appraisals                         | Added Kansas valuation determination requirements   | April 15, 2021    |
| Ineligible Property Types          | Add Non-warrantable condos as ineligible  | August 13, 2021   |
| Current First Mortgage Eligibility | <ul style="list-style-type: none"> <li>For existing mortgages that have been modified, the first payment due date of new mortgage must be on or after the later of:               <ul style="list-style-type: none"> <li>The date that is 210 days after the date on which the first modified monthly payment was due on the mortgage being refinanced, and</li> <li>The date on which six modified payments have been made on the mortgage being refinanced</li> </ul> </li> </ul> | September 1, 2021 |
| Ineligible States                  | New York is ineligible for NewRez Underwriting  | November 12, 2021 |

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|                                 |   |                   |
|---------------------------------|---|-------------------|
| Eligibility Matrix              | Update Credit Score, LTV/CLTV   | December 17, 2021 |
| Texas Owner Occupied Properties | A copy of the current mortgage or note is required to determine if the terms are subject to Texas Section 50(a)(6) (also known as Home Equity Deed of Trust, Home Equity Installment Contract or Residential Home Loan Deed of Trust) (Non-Delegated Clients only)  | December 17, 2021 |
| Housing Payment History         | Non-credit Qualifying Refi <ul style="list-style-type: none"> <li>For a borrower who was granted a forbearance plan, the borrower must have <ul style="list-style-type: none"> <li>Exited the forbearance plan on the subject property, and</li> <li>Made at least six consecutive mortgage within the month due since exiting forbearance (Delegated Clients: Follow FHA)</li> </ul> </li> </ul> | December 17, 2021 |
| Net Tangible Benefit            | Updated Information   | January 24, 2022  |
| Eligibility Matrix              | Manufactured Home Credit Score 580, Merged Grid   | June 06, 2022     |
| Loan Terms                      | ARMs permitted for Manufactured homes   |                   |
| Qualifying Ratios               | Added Compensating Factors  |                   |
| Ineligible Property Types       | Removed the below Ineligible Manufactured Home Property Types. These are now eligible <ul style="list-style-type: none"> <li>Condo</li> <li>Leasehold</li> <li>Hawaii</li> <li>New Construction</li> <li>Hobby Farm</li> <li>Mixed Use</li> </ul> Units located in a Mobile Home Park are still ineligible for Manufactured Housing. This is moved to the Guide.                                  |                   |
| Credit                          | Updated URLA info   |                   |
| ARM Adjustments                 | Updated Life Floor-The Floor is the Margin  | June 10, 2022     |

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