Streamline Refinance With Appraisal - Maximum Mtg. Worksheet #4

Use the Refinance Maximum Mortgage Worksheet **HUD-92900-WS**

FHA to FHA

Owner Occupants Only

4-A.	**APPRAISED VALUE ONLY (No Closing Costs Added)**		
$		Appraised Value (MCAW #4)	
X	LTV Factor __.___% or Less	(LTV Factor) (Appendix II) Low Closing Cost States 98.75% - Property Value $50,000 or less 97.65 % - Property Value > $50,000-125,000 97.15% - Property Value over $125,000 High Closing Cost States 98.75% - Property Value $50,000 or less 97.75% - Property value over $50,000	
=		Maximum Mortgage BEFORE UFMIP	**MCAW 10f(1)**

OR

4-B.	**EXISTING DEBT PLUS ALLOWABLE ADDITIONAL ITEMS** (Subordinate liens and repairs are not eligible for inclusion in the maximum mortgage)		
$		Principal balance on existing first lien + up to one month monthly MIP + the Mortgage Pmt. (PITI) that was due on the 1st (if not already paid) in addition up to 30 days interest for the current month + late charges + escrow shortages (ML 2005-43) MCAW 10a)	
-		MIP Refund, if applicable (MCAW 10d)	
+		Allowable borrower-paid closing costs (MCAW 10c)	
+		Prepaid Expenses (Per Diem interest to end of month on new loan + hazard insurance deposits + real estate tax deposits (MCAW 10b)	
+		Reasonable Discount Points (MCAW 10b)	
=		Maximum Mortgage BEFORE UFMIP	**MCAW 10e**
X	**1.5%**		
=		**"Estimated"** new UFMIP *See Note #4 below	

MAXIMUM MORTGAGE BEFORE UFMIP IS LOWEST OF (4-A) or (4-B)

NOTE #4: If the lower of the calculations above is #4-B, and if the UFMIP refund is greater than the new UFMIP "estimate", you may apply the following calculations

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to arrive at Line 3-A on the MCAW.
(This will allow the borrower to bring less monies to the closing.)

4-C.	**UFMIP REFUND IS GREATER THAN THE NEW UFMIP** (Subordinate liens and repairs are not eligible for inclusion in the maximum mortgage)		
$		Principal balance on existing first lien + up to one month monthly MIP + the Mortgage Pmt. (PITI) that was due on the 1st (if not already paid) in addition up to 30 days interest for the current month + late charges + escrow shortages (ML 2005-43) (MCAW 10a)	
-		**"Estimated"** new UFMIP (from 4-B above)	
+		Allowable borrower-paid closing costs (MCAW 10c)	
+		Prepaid Expenses (Per Diem interest to end of month on new loan + flood/hazard insurance deposits + real estate tax deposits) (MCAW 10b)	
+		Reasonable Discount Points (MCAW 10b)	
=	$	Maximum Mortgage BEFORE UFMIP	**MCAW 10g**

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FHA to FHA

- Term of the new loan can be up to 30 years.
- No investors.
- Cash back at closing limited to $500. (Ml 2005-43)
- Any streamline refinance of a 30-year mortgage on a principal residence may be refinanced to a shorter term mortgage, however the new monthly principal and interest payment may not increase more than 20%. (ML 2005-43)
- A Hybrid Arm, (3-, 5-, 7-, or 10-year mortgage) may be streamline refinanced to a fixed rate mortgage, with or without appraisal, provided that the payment will not increase more than 20% and all mortgage payments have been made within the month due for at least the past 12 months or the period the mortgage has been in force, if shorter. (ML 2005-43)
- A delinquent mortgage is generally not eligible for streamline refinancing until the loan is brought current. However, if the mortgage is delinquent by no more than two monthly payments, the re-financing lender may pay the borrower's mortgage to bring the payments current provided no obligation is placed on the borrower to repay the funds used to bring the mortgage current. (1-12-D-6)
  - If the mortgage is delinquent by more than two months, refer to ML 94-30.
  - If the loan is an ARM to fixed-rate loan, all mortgage payments must have been made within the month due for the past twelve months or period of time that the loan has been in force if shorter. (1-12-D-15) . [FYI: The Mortgage Pmt. (PITI) that was due on the 1st (if not already paid) can be included in the new loan amount, in addition up to 30 days interest for the current month.]
  - On an ARM-to-fixed rate streamlined refinance, if the new fixed-rate mortgage will be at a rate lower than the existing rate of the ARM, the 30 days late, rule is not applicable. (1-12-D-5)
- VOM or other documentation is required which includes principal balance, date loan originated, names of original borrowers, type of loan.
- A holding period of six months applies when: (1) the borrower obtained the loan via non-qualifying assumption; or (2) when a borrower is deleted due to devise or descent of law (e.g., divorce, death, etc.) and a quit-claim of interest has been executed. Full credit qualifying is required if held less than six months and/or if the due-on-sale clause is triggered. (1-12-c)

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- Subordinate financing may remain in place without regard to the total indebtedness; that is, the combined amounts of the first and subordinate mortgages may exceed the applicable loan-to-value ratio and the maximum mortgage limit for the area. (1-12-d-11)
- Social Security Numbers must be verified for all borrowers.
- A pay-off statement from the previous lender showing the unpaid principal balance should be included in the endorsement binder.
- The amount of the existing first mortgage may not include delinquent interest.