



FHA Streamline Program Guidelines

Correspondent

Revised 5/23/2025 rev. 123

Summary	FHA conforming and high balance Fixed Rate Streamline Refinance. All loans must be eligible for FHA Insurance Endorsement.					
Products	Product Name		Product Code		Available Term In Months	
	FHA 15 Year Fixed Streamline		FHA15S		180	
	FHA 30 Year Fixed Streamline		FHA30S		181-360	
	FHA 30 Year Fixed High Balance Streamline		FHA300HBS		360	
Eligibility Matrix	Conforming and High Balance ²					
	Purpose	LTV	CLTV	Min Credit Score	Max DTI Underwriting Method	
					AUS	Manual
	Streamline Refinance	N/A	N/A	550	N/A ¹	N/A ¹
<div><div>¹. Credit qualifying Streamlines must be manually underwritten and have the same DTI ratio requirements as the Rate/Term and Simple Refinances.</div><div>². Manufactured Housing not eligible for High Balance loan amounts.</div></div>						
4506-C / Tax Transcripts	<div><div>4506-C is not required unless the borrower is obtaining a credit qualifying Streamline Refinance</div><div>Refer to Plaza’s Delegated Correspondent Credit Overlay Matrix for tax transcript requirements</div></div>					
Appraisal	Appraisal is not required.					
Borrower Eligibility	<div>Ineligible Borrowers:<div><div>Partnerships</div><div>Corporations</div><div>Guardianships</div><div>Life Estates</div><div>LLCs</div><div>Non-permanent resident aliens</div><div>Deferred Action for Childhood Arrivals (DACA) program recipients</div><div>Non-Revocable Inter Vivos Trusts</div><div>Foreign nationals</div><div>Borrowers with diplomatic immunity</div><div>Charitable organizations</div><div>Non-profit agencies</div><div>State or local government agencies</div></div></div> <div>Social Security Number:<div><div>Each borrower on the loan transaction must have a valid Social Security number.</div><div>ITIN (IRS Tax Identification Numbers) are not allowed.</div><div>Citizenship and immigration status along with residency do not need to be documented on non-credit qualifying Streamline Refinances.</div></div></div>					

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Credit	<p>Credit Report (for non-credit qualifying streamlines):</p> <ul style="list-style-type: none"> • Minimum credit report requirement is a single-bureau soft-pull that includes a complete mortgage payment history and a credit score for each borrower. • If unable to obtain a single-bureau mortgage only credit report with a credit score for each borrower, a full tri-merge credit report will be required. • Non-traditional credit is not allowed. <p>Mortgage Rating: The mortgage being refinanced may not have any history of 30-day lates or greater in the last 12 months.</p> <p>For mortgages with less than a 12 month payment history: The borrower must have made all mortgage payment within the month due. No 30 day or greater late payments allowed on any mortgage in the last 12 months.</p>
Escrow Accounts	An Escrow/impound account is required for property taxes and insurance on all FHA loans.
Geographic Restrictions	<p>Hawaii: Properties in Lava Flow Zones 1 or 2 are not allowed.</p> <p>Iowa: An attorney's opinion of title is acceptable in lieu of a title policy, or a title policy may be ordered through the Title Guaranty Division (TGD) of the Iowa Financial Authority.</p> <p>Kansas: Properties located in the State of Kansas require the lender to obtain the market value. For Streamline refinances, this can be satisfied with the tax assessor's statement of value.</p> <p>Montana: Lot size of the property may not exceed 40 acres.</p> <p>West Virginia: Delegated deliveries only.</p>
Higher-Priced Mortgages	<p>FHA non-credit qualifying Streamline Refinance transactions that are determined to be Higher-Priced Mortgages may be eligible provided the following requirements are met:</p> <ul style="list-style-type: none"> • Borrower is not 30 days or more past due on the prior existing residential mortgage loan, and • The loan does not increase the original principal balance, and • The points and fees do not exceed 3%, and • The new interest rate on the refinanced loan is lower than the current rate. If refinancing an ARM to a fixed rate, the FHA net tangible benefit as per HUD 4000.1.II.A.8.C(4)(c) applies. <p>If all of the previous requirements are not met then the loan must be processed and closed as a Credit Qualifying Streamline Refinance or as a Simple Refinance.</p>
Identity of Interest	<p>The terms Identity of Interest and Non-Arm's Length describe certain transactions between parties with family or business relationships that may pose increased risk and warrant additional precautions when evaluating that risk.</p> <p>Conflicts of Interest: Participants that have a direct impact on the mortgage approval decision are prohibited from having multiple roles or sources of compensation, either directly or indirectly, from a single FHA-insured transaction. These participants are:</p> <ul style="list-style-type: none"> • Underwriters • Appraisers • Inspectors • Engineers <p>Indirect compensation includes any compensation resulting from the same FHA-insured transaction, other than for services performed in a direct role. Examples include, but are not limited to:</p> <ul style="list-style-type: none"> • Compensation resulting from an ownership interest in any other business that is a party to the same FHA-insured transaction; or • Compensation earned by a spouse, domestic partner, or other Family Member that has a direct role in the same FHA-insured transaction. <p>Participants that do not have a direct impact on the mortgage approval decision may have multiple roles and/or sources of compensation for services actually performed and permitted by HUD, provided that the FHA-insured transaction complies with all applicable federal, state, and local laws, rules, and requirements.</p>



Income and Employment	<p>Non-Credit Qualifying:</p> <ul style="list-style-type: none"> • Employment or source of income is not verified • Income is not verified <p>Credit Qualifying: Must be manually underwritten and have the same employment, income and DTI ratio requirements as the non-Streamline manual underwrite transactions referenced in the DTI Ratio Matrix.</p>
Ineligible	<ul style="list-style-type: none"> • Temporary Buydowns • One-time close construction • Borrower is a principal of the title company and/or settlement agent for the subject transaction.
Loan Limits	Maximum loan amount is based on the FHA Insured mortgage being refinanced. Refer to the Maximum Mortgage Amount section.
Manufactured Housing	<ul style="list-style-type: none"> • Must be classified as Real Property • Single-wide and multi-wide allowed • Single-wide manufactured homes are limited to purchase and rate/term refinance transactions only • Manufactured homes must have been built on or after June 15, 1976 • Manufactured homes must be at least 12 feet wide and have a minimum 400 square feet of gross living area • Leasehold properties are ineligible • Condo projects, including site condos, comprised of manufactured homes are ineligible • The manufactured home may not have been previously installed or occupied at another location • All manufactured housing must meet FHA guidelines, restrictions in these Program Guidelines, and Plaza's Manufactured Housing Guidelines. • Manufactured Homes located within a Special Flood Hazard Area are not eligible unless a FEMA National Flood Insurance Program (NFIP) Elevation Certificate (FEMA Form 086-0-33) prepared by a licensed engineer or surveyor stating that the finished grade beneath the Manufactured Home is at or above the 100-year return frequency flood elevation is provided, and flood insurance under the NFIP is obtained.
Maximum Loans	A maximum of four Plaza loans is permitted to one borrower.
Maximum Mortgage Amount	<p>Maximum Mortgage Amount: Refer to the FHA Streamline Refinance Maximum Mortgage Worksheet and NTB FM-286.</p> <p>Owner Occupied: The lesser of:</p> <ul style="list-style-type: none"> • The <u>outstanding</u> 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; and ◦ MIP due on the existing mortgage; or • The <u>original</u> principal balance of the existing mortgage including financed UFMIP Less: Any refund of UFMIP if financed in the original mortgage Plus: Any new UFMIP that will be financed <p>Non-Owner Occupied: The lesser of:</p> <ul style="list-style-type: none"> • The <u>outstanding</u> principal balance of the existing Mortgage as of the month prior to mortgage Disbursement; or • The <u>original</u> principal balance of the existing mortgage including financed UFMIP Less: Any refund of UFMIP if financed in the original mortgage Plus: Any new UFMIP that will be financed <p>Discount Points: Discount point may not be included in the new mortgage. If the borrower has agreed to pay discount points, verify the borrower has the assets to pay them along with any other financing costs not included in the new mortgage amount.</p>

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Net Tangible Benefit (NTB)	<p>The underwriter must determine there is a NTB as a result of the Streamline refinance transaction. The transaction must meet FHA and state, when applicable, NTB requirements.</p> <ul style="list-style-type: none">• Reduction in term: Transactions that include a reduction in the mortgage term are acceptable provided.<ul style="list-style-type: none">○ The new interest rate does not exceed the current interest rate. AND○ The combined (P&I and MIP) payment does not exceed the combined payment of the loan being refinanced by more than \$50.• Fixed to ARM: Streamline Refinancing from a Fixed Rate to an ARM is not eligible. <p>Note: Combined Rate refers to the interest rate plus the MIP rate.</p> <table><tr><th>From</th><th>To</th><th>Net Tangible Benefit</th></tr><tr><td>Fixed Rate</td><td>Fixed Rate</td><td>Reduction of at least .5 percentage points below the prior combined rate.</td></tr><tr><td>1-YR ARM</td><td>Fixed Rate</td><td>New interest rate no greater than 2 percentage points above the current combined rate of the ARM.</td></tr><tr><td>Fixed-Period ARM (During the Fixed Period)</td><td>Fixed Rate</td><td>New interest rate no greater than 2 percentage points above the current combined rate of the ARM.</td></tr><tr><td>Fixed-Period ARM (During Adjustable Period)</td><td>Fixed Rate</td><td>New interest rate no greater than 2 percentage points above the current combined rate of the Fixed-Period ARM.</td></tr></table>	From	To	Net Tangible Benefit	Fixed Rate	Fixed Rate	Reduction of at least .5 percentage points below the prior combined rate.	1-YR ARM	Fixed Rate	New interest rate no greater than 2 percentage points above the current combined rate of the ARM.	Fixed-Period ARM (During the Fixed Period)	Fixed Rate	New interest rate no greater than 2 percentage points above the current combined rate of the ARM.	Fixed-Period ARM (During Adjustable Period)	Fixed Rate	New interest rate no greater than 2 percentage points above the current combined rate of the Fixed-Period ARM.
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Occupancy	<ul style="list-style-type: none">• Owner-occupied primary residences• Investment properties<ul style="list-style-type: none">○ Manufactured Housing is not eligible for investment properties															
Property Eligibility	<p>Ineligible Properties:</p> <ul style="list-style-type: none">• Commercial property• Cooperatives• Condotels• Geothermal homes• Geodesic Domes• Mobile homes• Non-warrantable condos• Timeshares• Working farms, ranches, orchards• Properties with C6 quality rating• Properties with C5 or C6 condition rating• Properties secured with PACE obligations or PACE like assessments															
Repair Escrow	<ul style="list-style-type: none">• Per FHA guidelines.• Escrow holdbacks are not allowed on manufactured housing.															
Seasoning	<ul style="list-style-type: none">• The borrower must have made at least six consecutive monthly payments on the FHA-insured mortgage that is being refinanced beginning with the payment made on the first payment due date, AND• At least six full months must have passed since the first payment due date of the Mortgage that is being refinanced; AND• At least 210 days must have passed from the Closing Date of the mortgage that is being refinanced.• On the Closing Date of the new mortgage: The first payment due date of the refinance loan must occur no earlier than 210 days after the first payment due date of the existing loan															
Subordinate Financing	<ul style="list-style-type: none">• Loans with existing subordinate financing are eligible.• New subordinate financing is not allowed.• CLTV is based on the original appraised value of the property.• Properties with Property Assessed Clean Energy (PACE) obligations are ineligible.• PACE liens may not be subordinated.															
Texas Home Equity	Cash out is not allowed in Texas.															
Underwriting Method	All FHA Streamlines must be manually underwritten.															

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