

Loan-to-Value and Combined Loan-to-Value Mortgage Amount Calculation Comparison

Criteria	Rate-and-Term Refinance (Conventional-to-FHA or FHA-to-FHA)	Streamlined Refinance (FHA-to-FHA) WITH Appraisal	Streamlined Refinance (FHA-to-FHA) WITHOUT Appraisal
LTV Applied to Appraised Value ¹	97.75%	97.75%	n/a (New mortgage cannot exceed original principal except by UFMIP)
Existing Debt Calculation	<p>Existing Debt: Add together the amount of the existing first lien, any purchase money second mortgage, any junior liens over 12 months old, closing costs, prepaid expenses, borrower paid repairs required by the appraisal, discount points, and then <i>subtract</i> any refund of UFMIP.</p> <p>Interest: The amount of the existing first mortgage may include the interest charged by the servicing lender when the payoff will not likely be received on the first day of the month (as is typically assessed on FHA-insured mortgages).</p> <p>Prepayment Penalties: The amount also may include any prepayment penalties assessed on a conventional mortgage or FHA Title I loan.</p> <p>Late Charges, Prepaids and Escrows: In determining the existing debt as part of the mortgage amount calculation, the mortgagee may include accrued late charges and escrow shortages.</p> <p>Prepaid expenses may include the per diem interest to the end of the month on the new loan, hazard insurance premium deposits, monthly mortgage insurance premiums, and any real estate tax deposits needed to establish the escrow account regardless whether the mortgagee refinancing the existing loan is also the servicing lender for that mortgage.</p> <p>Seasoning: If any portion of the funds of an equity line of credit in excess of \$1000 was advanced within the past twelve months and was for purposes other than repairs and rehabilitation of the property, the line of credit is <i>not</i> eligible for inclusion in the new mortgage.</p>	<p>Existing Debt: Add together the amount of the existing FHA-insured first lien, closing costs, prepaid expenses, discount points, and then <i>subtract</i> any refund of UFMIP.</p> <p>Interest: The amount of the existing first mortgage may include the interest charged by the servicing lender when the payoff will not likely be received on the first day of the month (as is typically assessed on FHA-insured mortgages).</p> <p>Prepayment Penalties: Not applicable</p> <p>Late Charges, Prepaids and Escrows: In determining the existing debt as part of the mortgage amount calculation, the mortgagee may include accrued late charges and escrow shortages.</p> <p>Prepaid expenses may include the per diem interest to the end of the month on the new loan, hazard insurance premium deposits, monthly mortgage insurance premiums, and any real estate tax deposits needed to establish the escrow account regardless whether the mortgagee refinancing the existing loan is also the servicing lender for that mortgage.</p> <p>Seasoning: Not applicable.</p>	<p>Existing Debt: Add together the amount of the existing FHA-insured first lien, closing costs, prepaid expenses, discount points, and then <i>subtract</i> any refund of UFMIP.</p> <p>Interest: The amount of the existing first mortgage may include the interest charged by the servicing lender when the payoff will not likely be received on the first day of the month (as is typically assessed on FHA-insured mortgages).</p> <p>Prepayment Penalties: Not applicable</p> <p>Late Charges, Prepaids and Escrows: In determining the existing debt as part of the mortgage amount calculation, the mortgagee may include accrued late charges and escrow shortages.</p> <p>Prepaid expenses may include the per diem interest to the end of the month on the new loan, hazard insurance premium deposits, monthly mortgage insurance premiums, and any real estate tax deposits needed to establish the escrow account regardless whether the mortgagee refinancing the existing loan is also the servicing lender for that mortgage.</p> <p>Seasoning: Not applicable.</p>

¹ Does not include UFMIP added-on.

Criteria	Rate-and-Term Refinance (Conventional-to-FHA or FHA-to-FHA)	Streamlined Refinance (FHA-to-FHA) WITH Appraisal	Streamlined Refinance (FHA-to-FHA) WITHOUT Appraisal
CLTV	Unlimited CLTV on new and/or re-subordination or modification of existing subordinate financing.	Unlimited CLTV for re-subordination or modification of existing subordinate financing.	Unlimited CLTV for re-subordination or modification of existing subordinate financing.
Additional underwriting and eligibility criteria	<p>Status of Mortgage: The mortgage being refinanced must be current for the month due.</p> <p>Cash Back: At closing, the borrower may not receive cash back in excess of \$500.</p> <p>Acquired > 1 year: If the property was acquired less than one year before the loan application and is not already FHA-insured, in addition to the calculations described above, the original sales price of the property also must be considered in determining the maximum mortgage. With conclusive documentation, expenditures for repairs and rehabilitation incurred after the purchase of the property may be added to the original sales price in calculating the mortgage amount.</p>	<p>Status of Mortgage: The mortgage being refinanced must be current for the month due. Borrowers no more than two months delinquent may also be refinanced in this manner per instruction contained in handbook HUD-4155.1 REV-5, paragraph 1-12D6.</p> <p>Cash Back: At closing, the borrower may not receive cash back in excess of \$500.</p> <p>Acquired > 1 year: Not applicable</p>	<p>Status of Mortgage: The mortgage being refinanced must be current for the month due. Borrowers no more than two months delinquent may also be refinanced in this manner per instruction contained in handbook HUD-4155.1 REV-5, paragraph 1-12D6.</p> <p>Cash Back: At closing, the borrower may not receive cash back in excess of \$500.</p> <p>Acquired > 1 year: Not applicable</p>