

USDA Streamlined-Assist Refinance

Standard and High Balance Fixed Rate LTV Matrix

Occupancy	Purpose	Maximum Loan Amount	Units	Maximum LTV/(H)CLTV ¹	Minimum FICO	Maximum DTI
Primary Residence	Streamline-Assist Refinance	High Balance	1	100%	620	N/A
		High Balance	1	100%		

LTV Matrix Footnotes

1. Max LTV/CLTV may be exceeded when financing the Guarantee Fee, however max loan amount may NOT be exceeded.

Product Details

General Guidelines	- Loans are made available per the terms and guidelines detailed in the USDA HB-1-3555 Single Family Housing Guaranteed Loan Program - Arc Home reserves the right for final decision on any guidelines not addressed.
Appraiser Requirements	Appraisal is not required unless the Borrower(s) has received payment subsidy for existing loan.
Assets	N/A
Borrower Eligibility	- Borrower(s) may be added to the loan - Borrower(s) may not be removed (unless deceased) - Non-occupant co borrower not allowed - Borrower(s) must satisfy requirement from Chapter 8 of USDA HB-1-3555 guide
Credit	- The borrower is not required to meet all the credit requirements as outlined in USDA HB-1-3555, Chapter 10. - Prior to the request for a Conditional Commitment, the existing mortgage payment history must not reflect a delinquency equal to or greater than 30 days within the previous 12 months. Lenders may verify mortgage payment history through a verification of mortgage obtained directly from the servicing lender or a credit report. When a credit report is ordered to determine timely mortgage payments, other credit accounts are not to be considered.
Escrow Holdbacks	Approval is required for all repair escrows and eligibility is subject to Arc Home discretion.
Escrow Waivers	Taxes and Homeowners Insurance must be escrowed.
Geographic Locations	Arc Home cannot lend in Hawaii
Guarantee Fee	- Up-front Guarantee Fee: 1.0% - The Upfront Loan Guarantee Fee may be fully or partially financed into the loan amount. It may also be paid in full at closing from the Borrower's assets. - Annual Fee: .35% (of the outstanding principal balance) - The Annual Fee will be paid as part of the monthly mortgage payment. - The Upfront and Annual Fees may be calculated with the Guarantee Fee Calculator on the USDA LINC Training and Resource Library in the Loan Origination section under Documentation and Resource.
HPML/HPCT	HPML loans are eligible.
Income	- Lenders are required to document their annual income calculations on the FNMA 1008/FHLMC 1077, Attachment 9-B, or similar form in order to support the household income does not exceed the allowable maximum income limits. - Household income must meet eligibility requirements for Single Family Housing Guaranteed Loans as determined by the USDA Income Eligibility Tool

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Limitations on Other R.E Owned	Borrowers may own one single family housing unit other than the subject property, as well as meet requirements in Chapter 8 of the USDA HB-1-3555 guide
Maximum Loan Amount	USDA Standard: - Minimum loan amount: \$50,000 - Maximum loan amount: The base loan amount cannot exceed the FHFA baseline conforming limit. USDA High Balance: - Minimum loan amount: The FHFA baseline conforming limit + \$1. - Maximum loan amount: The FHFA baseline High Balance limit. Determined by guidelines detailed in Chapter 7 of the USDA HB-1- 3555 guide
Occupancy	Primary Residency only
Prepayment Penalty	Not allowed
Property Types	In addition to the eligible property types below, all properties must meet guidelines in Chapters 12 and Chapter 13, of the USDA HB-1-3555 guide. General Eligible Property Types - Single, One-Unit Dwelling - Condominiums – Must meet Fannie Mae or Freddie Mac Project requirements or be on HUD or VA approved condo listing - Modular Homes - Leasehold properties meeting USDA guidelines Ineligible Property Types 2-4 units - Manufactured Homes - Community Land Trust - Property primarily used for income producing purposes - Properties in C5 or C6 condition Property Eligibility may be determined with a property address by using the USDA Property Eligibility Tool
Qualifying Rate	Qualify at Note Rate
Ratios	The borrower is not required to meet the repayment ratio provisions as outlined in USDA HB-1-3555 guide, Chapter 11.
Secondary Financing	Must be re-subordinated or paid in full through other proceeds. Cannot be included in new loan amount.
Tax Transcripts	- A fully executed 4506-C is required on all loans. - USDA requires tax transcripts prior to loan closing to verify adult household income. USDA allows the loan to close without tax transcripts if they can document their correspondence to and from the IRS in the file to support the omission. Asset statements must be reviewed to ensure no errant deposits are identified that may be attributed to additional income sources. The loan file will be considered complete when the explanation is documented. Loan closings will not be delayed due to obstacles in obtaining the tax transcripts when the tax returns were filed timely. However, a “failure to file” tax returns by a borrower, when legally required to do so and by the due date established by the IRS, is not an eligible explanation to forego obtaining tax transcripts. - Refer to Arc Home’s Tax Transcript Policy.
Temporary Buydowns	Not allowed
Transaction Types	Streamlined-Assist Refinance - Refinance of existing USDA loan - The existing USDA Guarantee loan must: - Must have closed 12 months prior to the USDA receipt of a Conditional Commitment - Have an interest rate not higher than the loan being refinanced

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	• Net tangible benefit of at least \$50 reduction in principal, interest and annual fee payment compared to principal, interest and annual fee payment of existing loan • Transaction details are available in Chapter 6 of USDA HB-1-3555 Guide • Cash out is not permitted. Borrowers may receive reimbursement from loan funds at settlement for eligible closing costs paid from the borrower's personal funds for the refinance transaction. Borrower may also receive a refund at settlement that represents prepaid interest or overage from the borrower's escrow account. • Unpaid fees, past-due interest, and late fees/penalties due the servicer cannot be included in the new loan amount.		
Underwriting	Manual Underwrites are acceptable per USDA Guidelines.		
Product Description and Terms	Product Name	Amortization Terms	
	30 Year Fixed Rate USDA - Standard Balance Streamlined-Assist Refinance	30 Years	
	30 Year Fixed Rate USDA - High Balance Streamlined-Assist Refinance	30 Years	
Internet Links	www.archomellc.com		