



## Section 502 Direct and Guaranteed Loan Refinance Options

Requirement	Non-streamlined	Streamlined	Streamlined-assist
<b>Maximum Loan Amount</b>	Cannot exceed new appraised value plus upfront guarantee fee. <ul style="list-style-type: none"> <li>Principal &amp; Interest</li> <li>Closing costs</li> <li>Funds to establish tax and insurance escrow</li> <li>Subsidy recapture due</li> </ul>	Cannot exceed original loan amount. <ul style="list-style-type: none"> <li>Principal &amp; Interest</li> <li>Re-conveyance fee</li> <li>Upfront guarantee fee</li> </ul>	<ul style="list-style-type: none"> <li>Principal &amp; Interest</li> <li>Closing costs</li> <li>Funds to establish tax and insurance escrow</li> <li>Upfront guarantee fee</li> </ul>
<b>Appraisal</b>	Yes	Only direct borrowers that received subsidy	Only direct borrowers that received subsidy
<b>30 year loan term</b>	Yes	Yes	Yes
<b>Fixed interest rate at or below interest rate of current loan</b>	Yes	Yes	Yes
<b>Add/Remove Borrowers (one original borrower must remain)</b>	Yes	Yes	Add borrowers only
<b>Seasoning: Loan must have closed 12 months prior to loan request to USDA</b>	Yes	Yes	Yes
<b>Credit</b>	<ul style="list-style-type: none"> <li>Loan paid as agreed 180 days prior to loan request to USDA</li> <li>Requirements of Chapter 10</li> </ul>	<ul style="list-style-type: none"> <li>Loan paid as agreed 180 days prior to loan request to USDA</li> <li>Requirements of Chapter 10</li> </ul>	<ul style="list-style-type: none"> <li>Loan paid as agreed 12 months prior to loan request to USDA</li> </ul>
<b>Ratios</b>	<ul style="list-style-type: none"> <li>GUS Accept</li> <li>GUS Refer with debt ratio waiver to meet HB Chapter 11</li> </ul>	<ul style="list-style-type: none"> <li>GUS Accept</li> <li>GUS Refer with debt ratio waiver to meet HB Chapter 11</li> </ul>	<ul style="list-style-type: none"> <li>No ratio calculation required</li> </ul>

Requirement	Non-streamlined	Streamlined	Streamlined-assist
Can GUS be utilized?	Yes	Yes	No
Include subsidy recapture?	Yes, if appraised value supports	No	No
Net tangible benefit required?	No	No	Yes \$50 or greater reduction in new PITI (including annual fee) as compared to current PITI payment
Owner occupied status required	Yes	Yes	Yes
Meet adjusted annual income limitation	Yes	Yes	Yes
Subordinate "silent" seconds or subsidy recapture due?	Yes	Yes	Yes
Late mortgage fees eligible to be refinanced	No	No	No
Properties now in ineligible rural areas continue to be eligible?	Yes	Yes	Yes
Eligible to refinance a Direct Leveraged loan?	No	No	No