



GMFS
PARTNERS

REFINANCE OPTIONS FOR SECTION 502 DIRECT AND GUARANTEED LOANS

REQUIREMENT	NON STREAMLINED	STREAMLINED	STREAMLINED ASSIST
New Appraisal	Yes	Only for Direct 502 with recapture subsidy due	Only for Direct 502 with recapture subsidy due
Maximum Loan Amount	Up to the new appraised value plus the amount of the financed up-front guarantee fee and include: <ul style="list-style-type: none"> Principal & interest balance Eligible closing costs Subsidy recapture 	May include: <ul style="list-style-type: none"> Principal & interest balance Eligible closing costs Up-front guarantee fee 	May include: <ul style="list-style-type: none"> Principal & interest balance Eligible closing costs Up-front guarantee fee
Net Tangible Benefit	No	No	Yes <ul style="list-style-type: none"> \$50 or greater reduction of the total principal, interest and monthly annual fee payment
Include Subsidy Recapture	Yes <ul style="list-style-type: none"> Up to the new appraised value 	No	No
Add/Remove Borrowers (one original borrower must remain)	Yes	Yes	<ul style="list-style-type: none"> Add borrowers Remove only deceased borrowers
Credit	No defaults in previous 180 days prior to Agency request <ul style="list-style-type: none"> Meet Chapter 10 requirements 	No defaults in previous 180 days prior to Agency request <ul style="list-style-type: none"> Meet Chapter 10 requirements 	No defaults in previous 12 months prior to Agency request
Ratio Waivers	GUS Refers only <ul style="list-style-type: none"> Must meet Chapter 11 requirements 	GUS Refers only <ul style="list-style-type: none"> Must meet Chapter 11 requirements 	No ratio calculations required
Utilize GUS	Yes	Yes	No
Soft seconds and/or subsidy recapture may be subordinated	Yes	Yes	Yes

REQUIREMENTS FOR ALL REFINANCE OPTIONS

- Only loans financed or guaranteed by USDA are eligible.
- Existing loan must have closed 12 months prior to the request for Conditional Commitment.
- Fixed interest rate and 30-year term.
- Borrower must meet applicable adjusted annual household income.
- No cash out from collateral equity. Only reimbursement of borrower prepaid eligible closing costs and/or refund from escrow overage.
- Borrowers must occupy the property.
- Properties located in areas now deemed ineligible remain eligible for refinance.
- Existing leveraged loans or subordinate liens must be paid in full or be subordinated.
- Unpaid fees, past-due interest, and late fees/penalties due the servicer cannot be included in the new loan amount.

