

VA IRRRL

Interest Rate Reduction Refinance Loan

Program Codes: VA IRRRL -30, -15 & VA HB IRRRL -30

Loan Purpose	Property Type	Occupancy Type	Min FICO	Max LTV/CLTV	Max Loan Limit
Rate & Term	1 Unit**	Primary, 2nd Home, & Investment	580*	90%	Lower of \$1.0M or VA Loan Limit Please visit the link below https://www.va.gov/housing-assistance/home-loans/loan-limits/
			600*	125%/Unlimited***	
	2-4 Units**	Primary & Investment	600*	125%/Unlimited***	

* Non-credit qualifying requires minimum 640 credit score.

** Non-credit qualifying permitted on 1-unit properties only. 2-4 units require credit qualifying.

***High Balance max 100% LTV

Discount point charged: If ≤ 1%, the LTV limited to 100%; If > 1% the LTV is limited to 90%

Program Overlay

Product Type	VA IRRRL: 30-Yr Fixed, 15-Yr Fixed VA HB IRRRL: 30-Yr Fixed
Loan Purpose	Interest Rate Reduction Refinance Loan (Streamline Rate & Term)
Property Type	Single Family 2-4 Units VA Approved Condo PUD New Construction (Completed < 1 year, never occupied) builder must be VA approved
State Restrictions	FL Condo: Upto 7 Stories. No High Rise Condo (8+)
4506-C	Signed by all borrowers
Age of Documents	Credit/income/asset documentation, if applicable, must be ≤120 days from Note date. Appraisal must be dated within 180 days of Note date.
Appraisal	AVM or Form 2055. Appraisal cannot be ordered through VA. The Protecting Veterans from Predatory Lending Act requires a LTV determination when discount points are charged.
AUS Findings	Manual underwrite only. Credit qualifying and non-credit qualifying eligible.
Borrowers - Eligible	Veteran or Veteran and spouse. Borrower must currently occupy the property. A spouse may only be deleted if the loan is credit qualified
Incidental Cash Back	Incidental cash back to borrower cannot exceed \$500. (\$0.00 in Texas)
Credit Report	Non-credit qualifying: Mortgage only required to verify mortgage history. Credit qualifying: Full credit report required.
Credit Score	<ul style="list-style-type: none"> Non-credit qualifying eligible with ≥ 640 credit score Credit qualifying required with 580-639 credit score
Credit Score 580-599	<ul style="list-style-type: none"> Credit qualifying only 1-unit Max 90% LTV/CLTV Min 2-year payment history on loan being refinanced with a 0x30 in 24 months. < 2 year pay history ineligible VA residual income requirements apply.
Documentation	<ul style="list-style-type: none"> Non-credit qualifying: Abbreviated 1003 allowed. Credit Qualifying: Full completed 1003. All loans: photo ID and social security card, most recent mortgage statement, a copy of existing Note, payoff statement with valid expiration.
Employment	<ul style="list-style-type: none"> Not required to be verified on non-credit qualifying Two-year employment history. A VVOE required within 10 days for wage earners, 30 days for self-employed on credit qualify.
Funding/Guaranty Fee	<ul style="list-style-type: none"> Funding fee 0.50% Certificate of Eligibility indicates exempt / not exempt from funding fee. Min 25% guaranty required Funding fees waived for active duty Purple Heart recipients. Refer to VA guidelines for complete details VA Lenders Handbook.
High Balance	<ul style="list-style-type: none"> Loan amounts > VA Conforming Loan Limits Max 100% LTV Mortgage history min 12 months for credit qualifying and 24 months for non-credit qualify 2-4 unit owner-occupied, second home, and investment property ineligible on high balance transactions
Impound Account	Required
LDP/GSA	Parties to the transaction must be checked.
Loan Amount	Base loan amount ≤ VA Conforming Loan Limits is the lesser of: (a) UPB, allowable VA closing costs, VA funding fee, and up to 2 discount points OR (b) Appraised value (AVM/2055) x 125%. Base loan amount ≥ VA Conforming Loan Limits is the lesser of: (a) UPB, allowable VA closing costs, VA funding fee, and up to 2 discount points OR (b) Appraised value (full conventional appraisal) x 100%
Loan Term	Maximum loan term is existing term + 10 years (not to exceed 30 years + 32 days)
Mortgage History	Credit Qualifying: <ul style="list-style-type: none"> 0x30 in previous 12 months Non-Credit Qualifying: <ul style="list-style-type: none"> Loan amount ≤ VA Conforming Loan Limit: 0x30 in previous 12 months Loan amount > VA Conforming Loan Limit: 0x30 in previous 24 months Mortgage must be current and due for month closing.
Net Tangible Benefits	Existing Fixed Rate loans being refinanced into a new Fixed Rate loan: must reduce interest rate by ≥ 0.50%
Program Parameters	VA to VA refinance. No income or assets (if funds needed to close < \$500). Credit qualify required if: <ul style="list-style-type: none"> PITI increase > 20% Spouse removed High balance w/ credit score < 720 Credit score 580-599 Standard VA credit requirements apply. Must benefit borrower with lower PITI payment or reduction in loan term or more stable product. Continuity of obligation required.
Refinance Restrictions	The note date of the refinance loan must be on, or after, the later of: (a) the date on which the borrower has made at least six-monthly payments on the loan being refinanced (b) the date that is 210 days after the first payment due date of the loan being refinanced For loans being paid off that include a loan modification, seasoning will be based on the applicable Note Modification dates.
Reserves	Not required
Subordinate Finance	New loan proceeds may not be used to pay off existing subordinate financing; must subordinate to new loan.