FREEDOM MORTGAGE® | WHOLESALE

FHA Fixed and Adjustable Rate Streamline Refinance

See full Product Guide for complete information.

Revised 12-11-25

Loan Amounts and LTVs	• Freedom Mortgage Corporation (FMC) only offers streamline refinance transactions without an appraisal. They are not subject to FHA's county loan limits and must meet the maximum mortgage loan amount calculation as described below. • LTV calculations are determined prior to adding financed UFMIP. **FHA Jumbo Loan Amounts** Any allowable base loan amount that exceeds the conforming loan limits is considered a Jumbo loan; for example, a 1-unit property with a base loan amount greater than $832,750 is classified as a jumbo loan amount. **Streamline Refinance without an appraisal (credit qualifying or non-credit qualifying)** The maximum Base Loan Amount for Streamline Refinances is the lesser of: • The outstanding principal balance of the existing mortgage as of the month prior to mortgage Disbursement plus: - Interest due on the existing mortgage; - Late charges; - Escrow shortages; and - MIP due on existing mortgage; or - The original principal balance of the existing mortgage (including financed UFMIP) • Less any refund of UFMIP (if financed in original mortgage). **Streamlines with modifications** A streamline refinance without an appraisal of an FHA loan in which a modification has increased the outstanding principal balance beyond the original principal balance is limited to an amount not to exceed the original principal balance. The transaction must meet the tangible net benefits requirements of the original loan and all other FHA eligibility requirements.		
Amortization	10, 15, 20, 25, 30 Year	30 Year only for ARM transactions	Odd terms allowed for FRM transactions only
Secondary Financing	Eligible subordinate financing may remain in place however, it must be re-subordinated to the FHA-Streamline first mortgage.		
Eligible Properties	• 1-4 Units • Warrantable Condo, PUD, Townhouse	• Manufactured Housing (minimum double-width) • Properties with Accessory Dwelling Units (ADU)	
Ineligible Properties	• **Manufactured Homes in a condo community** • Non-warrantable Condo • Timeshare • Working Farm	• Mobile Home • Cooperative • Condo/PUD Hotel • Commercial Property • Properties that have been assumed • Life Estates	• Properties located in lava zones 1 & 2 • Properties encumbered with Property Assessed Clean Energy (PACE) obligations • **Properties with resale deed restrictions** (other than Age Restricted) • **Community Land Trust**
Occupancy	**Primary Residence** • 1-4 Unit • Must be Owner Occupied	**Second Home** • Fixed Rate transactions only **Investment Property (1-4 Family)** • Fixed Rate transactions only	

Net Tangible Benefit

A Net Tangible Benefit is a reduced combined rate, a reduced term, and/or a change from an ARM to a fixed rate mortgage that results in a financial benefit to the Borrower.
A determination must be made for all Streamline Refinance transactions that there is a net tangible benefit to the Borrower by meeting the following:

- Reduced Combined Rate* *(refers to the interest rate on the mortgage plus the Mortgage Insurance Premium (MIP) rate)*
- Reduction in Term refers to the reduction of the remaining amortization period of the existing Mortgage.

Standard for Refinance without a Term Reduction or with a Term Reduction of Less Than Three Years.
New mortgage must adhere to the standards in the chart below:

	To:		
From:	**Fixed Rate New Combined Rate***	**One-Year ARM New Combined Rate***	**Hybrid ARM New Combined Rate***
Fixed Rate	At least 0.5% points below prior Combined Rate	At least 2% points below prior Combined Rate	At least 2% points below the prior Combined Rate
Any ARM with < 15 months to next payment change date	No more than 2% points above the prior Combined Rate	At least 1% point below prior Combined Rate	At least 1% point below the prior Combined Rate
Any ARM with ≥ 15 months to next payment change date	No more than 2% points above the prior Combined Rate	At least 2% points below prior Combined Rate	At least 1% point below the prior Combined Rate

Net Tangible Benefit

Standard for Refinances with a Term Reduction of Three Years or more
New mortgage must adhere to the standards in the chart below; AND
The combined principal, interest, and MIP payment of the new Mortgage must not exceed the combined principal, interest, and MIP payment of the refinanced Mortgage by more than $50.

	To:		
From:	**Fixed Rate New Combined Rate***	**One-Year ARM New Combined Rate***	**Hybrid ARM New Combined Rate***
Fixed Rate	Below the prior Combined Rate	N/A	N/A
Any ARM with < 15 months to next payment change date	No more than 2% points above the prior Combined Rate	N/A	N/A
Any ARM with ≥ 15 months to next payment change date	No more than 2% points above the prior Combined Rate	N/A	N/A

* Combined Rate refers to the interest rate on the Mortgage Insurance Premium (MIP) rate.

Underwriting

Credit Profile

- **Client/Partner to provide soft pull, single bureau in-file credit report, which must include one (1) credit score and public records, for all Non-Credit Qualifying Streamlines (not applicable to Manufactured Homes).**
- **For FMC to FMC Non-Credit Qualifying: Credit scores are not required to be reported (not applicable to Manufactured Homes)**
- **For FMC to FMC Credit Qualifying: Minimum 550 representative credit score for each borrower on both Standard and Jumbo transactions.**
- **For non-FMC to FMC, both Credit and Non-Credit Qualifying: Minimum 580 representative credit score for each borrower on both Standard and Jumbo transactions.**
- Full Tri-merged credit report is required for Credit Qualifying Streamlines
- **Manufactured Housing: Minimum 640 representative credit score for each borrower. Mortgage-Only tri-merged credit report to include credit scores for Non-Credit Qualifying Streamlines.**

Assets/Reserves

- Reserves required for ALL Credit-qualifying streamline refinance transactions.
- Reserves required for Both Credit and Non-Credit qualifying streamline refinance transactions.
- 1-2 Units: Minimum of one (1) months PITIA required after closing
- 3-4 Units: Minimum of three (3) months PITIA required after closing

Mortgage Insurance

FHA Mortgage Insurance Premiums
NOTE: Applies to all mortgages except Simple Refinances of a previous FHA loan endorsed on or before May 31, 2009.

Loans > 15 Years		
UFMIP = 175 bps	Annual Premium	
	Base Loan Amount ≤ $726,200	Base Loan Amount > $726,200
LTV	**Case Number Endorsed On/After 03/20/2023**	**Case Number Endorsed On/After 03/20/2023**
≤ 95.00%	50 bps	70 bps
> 95.00%	55 bps	75 bps
LTV	**Case Number Assigned On/After 01/26/2015 and before 03/20/2023**	**Case Number Assigned On/After 01/26/2015 and before 03/20/2023**
≤ 95.00%	80 bps	100 bps
> 95.00%	85 bps	105 bps
Loans ≤ 15 Years		
UFMIP = 175 bps	Annual Premium	
LTV	**Case Number Endorsed On/After 03/20/2023**	
≤ 78.00%	15 bps	15 bps
78% to ≤ 90.00%	15 bps	40 bps
> 90.00%	40 bps	65 bps
LTV	**Case Number Assigned On/After 04/01/13 and before 03/20/2023**	
78% to ≤ 90.00%	45 bps	70 bps
> 90.00%	70 bps	95 bps
LTV	**Case Number Assigned On/After 06/03/13 and before 03/20/2023**	
≤ 78.00%	45 bps	45 bps
Simple Refinance Transactions Endorsed On/Before 05/31/09		
All Loan Terms		
UFMIP = 1 bps		Annual Premium
All LTVs		55 bps

This document is not all encompassing. It is a summary reference tool to be utilized in conjunction with agency guidelines and applicable FMC credit and compliance policies. Where this document is silent, refer to agency guidelines.

All bolded and highlighted items are Freedom Mortgage overlays.

Pricing and product guidelines are subject to change and may be discontinued at any time.

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