

VA IRRRL Fixed/ARM

Primary					
Property Type	Maximum Base Loan Amount		Minimum Credit Score ¹	Max LTV ²	MAX CLTV
1-4 Units	Standard	≤ Conforming Loan Limits	580	No Max	
	High Balance	\$1 > Conforming Loan Limits - \$1,000,000			
1 Unit	Super Max	\$1,000,001 - \$2,000,000	680	115%	125%
Second Home					
Property Type	Maximum Base Loan Amount		Minimum Credit Score ¹	Max LTV ²	MAX CLTV
1 Unit	Standard	≤ Conforming Loan Limits	580	No Max	
	High Balance	\$1 > Conforming Loan Limits - \$1,000,000	660		
	Super Max	\$1,000,001 - \$2,000,000	700	90%	125%
Investment Property					
Property Type	Maximum Base Loan Amount		Minimum Credit Score ¹	Max LTV ²	MAX CLTV
1-4 Units	Standard	≤ Conforming Loan Limits	580	No Max	
	High Balance	\$1 > Conforming Loan Limits - \$1,000,000	660		
1 Unit	Super Max	\$1,000,001 - \$2,000,000	700	90%	125%
Footnotes					
¹ Minimum Credit Score	<ul style="list-style-type: none"> All non loanDepot to loanDepot loans require a minimum 620 FICO. 				
² LTV Restrictions	<ul style="list-style-type: none"> Refer to Net Tangible Benefit Test section for max LTV and appraisal requirements when discount points are financed into the loan amount. 				

Funding Fee Table			
Type of Veteran	Down Payment	% for First Time Use	% for Subsequent Use
All Types	N/A	.50%	.50%
<ul style="list-style-type: none"> All VA loans require a VA funding fee unless the VA has determined the veteran to be exempt from paying the funding fee. Exceptions may be made to veterans with service-connected disabilities and to surviving spouses of veterans who die in service or from service-connected disabilities. All or part of the fee may be paid in cash at loan closing or may be included in the loan without regard to the reasonable value of the property or the computed maximum loan amount, as appropriate. 			



VA IRRRL Fixed/ARM

VA Lending Resources	<ul style="list-style-type: none"> All loans must be underwritten to the standards contained within this matrix and the loanDepot VA Lending Guide. Any guidance published on this matrix supersedes any guidance referenced within the loanDepot VA Lending Guide. Refer to LDW Loan Program Overlay Matrix for additional restrictions. If guidance is not provided on this matrix, overlay matrix or within the loanDepot VA Lending Guide, please refer to the VA Lenders Handbook.
Ineligible Transactions	<ul style="list-style-type: none"> VA Renovation Loans Energy Efficient Mortgage
Geographic Restrictions	<ul style="list-style-type: none"> Texas 50 (a)(6) not allowed.
Minimum Loan Amount	<ul style="list-style-type: none"> \$60,000
Maximum Loan Amount	<ul style="list-style-type: none"> VA County loan limits do not apply to IRRRLs. VA will guarantee 25% of the principal balance on an IRRRL, regardless of whether the loan exceeds the limits for the particular county. The maximum loan amount for IRRRLs is determined by completing the IRRRL Worksheet (VA Form 26-8923).
Minimum Guaranty	<ul style="list-style-type: none"> Minimum guaranty of 25% is required.
Maximum Loan Term	<ul style="list-style-type: none"> The maximum loan term is the original term of the VA loan being refinanced plus 10 years, but not to exceed 30 years and 32 days. For example, if the old loan was made with a 15 year term, the term of the new loan cannot exceed 25 years.
Debt-To-Income (DTI)	<ul style="list-style-type: none"> N/A - Non-Credit Qualifying IRRRLs.
AUS Requirements	<ul style="list-style-type: none"> All IRRRLs must be manually underwritten. AUS is not permitted.
Documentation	<ul style="list-style-type: none"> All borrowers must have a valid Social Security number.
Qualifying Rate	<ul style="list-style-type: none"> Fixed & ARM: Qualify at the Note Rate.
Appraisal Requirements	<ul style="list-style-type: none"> An appraisal is required when one or more of the following apply: <ul style="list-style-type: none"> When going from Fixed interest rate to an ARM refinance. Refer to the NTB Test section below, The loan amount exceeds \$1,000,000 (Exterior-Only Appraisal), Occupancy is Second Home or Investment Property and loan amount exceeds Conforming limits (Full Interior/Exterior Appraisal), VA CARES Act forbearance (in or exiting) with a 6 to 12 months timeframe for non-LD to LD transactions (Full Interior/Exterior Appraisal). Note: AVM/BPO is acceptable for LD to LD transactions, except on Fixed to ARM refinances. These appraisals are not ordered through WeblGY or the VA Fee Panel. If the Veteran is required to pay for the cost of the appraisal, the cost must be included as part of the recoupment cost. The Veteran may only be charged a reasonable and customary amount, and only charged for one appraisal.
Veteran's Comparison Statement	<ul style="list-style-type: none"> Comparison statement is required on all VA IRRRLs: <ul style="list-style-type: none"> Must include all fees and costs (includes taxes, escrow amounts and funding fee) and divide by the reduced monthly P&I payment. Lender credits may be used to offset; Must be provided to the Veteran within 3 business days of the initial loan application and again at closing; Veteran must certify receipt of both statements. When the comparison statement exceeds 36 months recoupment, loan must meet the Statutory/Qualifying Recoupment.
Statutory/Qualifying Recoupment	<ul style="list-style-type: none"> All fees and costs incurred must have a recoupment of no more than 36 months. (No Exceptions) <ul style="list-style-type: none"> Divide all fees, expenses, and closing costs (exclude taxes, escrow amounts and funding fee) by the reduced monthly P&I payment. Lender credits may be used to offset allowable fees and costs. This statutory/qualifying recoupment statement must be documented in the loan file. Note: When the current loan has been modified or an ARM, the P&I reduction must be computed/compared to the current P&I payment.
Same/Higher P&I Payment	<ul style="list-style-type: none"> When the P&I payment is the same or higher the loan must be a no cost loan to Veteran. Lender credits may be used to offset allowable fees and costs. When the monthly payment (PITI) increases by 20% or more, the loan must: <ul style="list-style-type: none"> Qualify as credit qualifying, and Include a certification that the veteran qualifies for the new monthly payment.
Interest Rate Decrease Requirement	<ul style="list-style-type: none"> The interest rate on the new loan must be a lower interest rate than the loan being refinanced and is subject to the net tangible benefit test. <ul style="list-style-type: none"> Note: The only exception to not require a decrease in interest rate is refinancing an ARM to a Fixed rate. No more than 2 discount points can be financed in the loan amount.
Net Tangible Benefit (NTB) Test	<ul style="list-style-type: none"> Net Tangible Benefit Requirements: <ul style="list-style-type: none"> Every refinance transaction must offer a documented, demonstrable, Net Tangible Benefit (NTB) to the borrower, and VA specific NTB requirements must be met as referenced below. IRRRL loans must meet the NTB test as follows: <ul style="list-style-type: none"> Fixed Rate to Fixed Rate: <ul style="list-style-type: none"> The interest rate on the new loan must be lower than the interest rate for the loan being paid off by at least 0.50%. Fixed Rate to Adjustable Rate: <ul style="list-style-type: none"> The interest rate on the new loan must be lower than the interest rate on the loan being paid off by at least 2%, and For loans in which the lower interest rate is due solely to discount points: <ul style="list-style-type: none"> The discount points must be paid at closing; or Discount points may be added to the loan amount under the following conditions: <ul style="list-style-type: none"> If discount points are less than or equal to 1 discount point the LTV must be 100% or less. If discount points are greater than 1 discount point the LTV must be 90% or less. An appraisal is required (Full Interior/Exterior or Exterior-Only Appraisal).



Seasoning Requirements	<ul style="list-style-type: none"> The new Note date of the refinance loan must be on or after the later of: <ul style="list-style-type: none"> The date on which the borrower has made 6 consecutive full monthly payments on the loan being refinanced; and 210 days, or more, after the date of the first payment due date on the loan being refinanced. <p>Modified Loans: A new loan paying off a previously modified loan. Seasoning requirements must be determined by using the modified loan terms: (GNMA) – Effective 1/1/2022</p> <ul style="list-style-type: none"> The new Note date of the refinance loan must be on or after the later of: <ul style="list-style-type: none"> The date on which the borrower has made 6 full monthly modified payments on the loan being refinanced, and 210 days after the verified first modified payment due date. <p>Note: Advance/prepaid payments to meet the 6 scheduled payment requirement is not permitted. Loan must not be in forbearance (except for CARES Act on or after 6/30/2020 refer to below guidance).</p>																																		
CARES Act on or after 6/30/2020	<ul style="list-style-type: none"> Due to the COVID-19 pandemic, VA is temporarily waiving certain prior approval requirements applicable to delinquent loans (> 30 days past due). The Veteran must provide: <ul style="list-style-type: none"> An explanation for the delinquency/forbearance, and Information to establish that they are no longer experiencing a financial hardship caused by COVID-19. Refer to CARES Act on or after 6/30/2020 in the loanDepot VA Lending Guide for complete details. <p>Note: A full appraisal is required for non-loanDepot to loanDepot with a VA CARES Act forbearance (6 – 12 months). Refer to Appraisal Requirements above.</p>																																		
Income/Employment	<ul style="list-style-type: none"> Income documentation is not required for Non-Credit Qualifying IRRRLs. VVOE or alternative income verification required to confirm borrower has income source. This is required for primary employment income only and not required for retired borrowers. (Not applicable for loanDepot to loanDepot refinance.) 																																		
Asset Documentation	<ul style="list-style-type: none"> Funds to close do not have to be documented. 																																		
Reserves	<ul style="list-style-type: none"> Not required. 																																		
Borrower Eligibility	<ul style="list-style-type: none"> Generally, the party or parties obligated on the original loan must be the same as the new loan and the Veteran must still own the property. <table border="1" data-bbox="350 919 1511 1226"> <thead> <tr> <th>Parties Obligated on Old VA Loan</th> <th>Parties Obligated on new IRRRL</th> <th>Is IRRRL Possible?</th> </tr> </thead> <tbody> <tr> <td>Unmarried Veteran</td> <td>Veteran and new spouse</td> <td>Yes</td> </tr> <tr> <td>Veteran and spouse</td> <td>Divorced Veteran alone</td> <td>Yes</td> </tr> <tr> <td>Veteran and spouse</td> <td>Veteran and different spouse</td> <td>Yes</td> </tr> <tr> <td>Veteran alone</td> <td>Different veteran who has substituted entitlement</td> <td>Yes</td> </tr> <tr> <td>Veteran and spouse</td> <td>Spouse alone (Veteran died)</td> <td>Yes</td> </tr> <tr> <td>Veteran and non-veteran joint loan obligors</td> <td>Veteran alone</td> <td>Yes</td> </tr> <tr> <td>Veteran and spouse</td> <td>Divorced spouse alone</td> <td>No</td> </tr> <tr> <td>Unmarried Veteran</td> <td>Spouse alone (Veteran died)</td> <td>No</td> </tr> <tr> <td>Veteran and spouse</td> <td>Different spouse alone (veteran died)</td> <td>No</td> </tr> <tr> <td>Veteran and non-veteran joint loan obligors</td> <td>Non-Veteran alone</td> <td>No</td> </tr> </tbody> </table>		Parties Obligated on Old VA Loan	Parties Obligated on new IRRRL	Is IRRRL Possible?	Unmarried Veteran	Veteran and new spouse	Yes	Veteran and spouse	Divorced Veteran alone	Yes	Veteran and spouse	Veteran and different spouse	Yes	Veteran alone	Different veteran who has substituted entitlement	Yes	Veteran and spouse	Spouse alone (Veteran died)	Yes	Veteran and non-veteran joint loan obligors	Veteran alone	Yes	Veteran and spouse	Divorced spouse alone	No	Unmarried Veteran	Spouse alone (Veteran died)	No	Veteran and spouse	Different spouse alone (veteran died)	No	Veteran and non-veteran joint loan obligors	Non-Veteran alone	No
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Property Types	<p style="text-align: center;">Eligible</p> <ul style="list-style-type: none"> SFR/PUD (detached/attached) Condo¹ 2-4 units <p>¹Site condominiums in MI are treated as SFR.</p>	<p style="text-align: center;">Ineligible</p> <ul style="list-style-type: none"> Co-ops Agricultural/Income producing properties Manufactured Homes Non-Warrantable Condo/Condotel 																																	
Credit	<ul style="list-style-type: none"> Minimum credit score is required for all borrowers. <p style="text-align: center;">Mortgage History</p> <ul style="list-style-type: none"> Loan must not be 30 days or more past due at the time of application. Loan must be current prior to closing. 																																		
No Cash Back	<p>All occupancy types except Texas Homestead</p> <ul style="list-style-type: none"> At final loan approval: <ul style="list-style-type: none"> IRRRL worksheet, final 1003 and all other applicable documents must reflect less than a \$50 tolerance. At loan closing: <ul style="list-style-type: none"> Final loan amount and IRRRL worksheet must reflect less than a \$50 tolerance. <p>Texas Homestead Occupancy</p> <p>NO EXCEPTIONS: Cash back is not allowed for loans secured by owner-occupied primary residence properties located in the state of Texas.</p>																																		
Subordinate Financing	<ul style="list-style-type: none"> Subordinate Financing allowed. CLTV cannot exceed the eligible LTV/CLTV limits above. 																																		
Assumability	<ul style="list-style-type: none"> The Company can process and determine the creditworthiness on loan assumptions without VA prior approval, if loanDepot is the current holder/servicer of the VA loan. <p>Note: Refer to VA Lenders Handbook Chapter 5 Section 6 - Processing Loan Assumptions by the Current Servicer or Holder of the VA Loan.</p>																																		



VA - Eligible Terms & Plan								
Fixed	Standard				High Balance / Super Max			
	Product Description / Terms				Product Description / Terms			
	10 Year				10 Year			
	15 Year				15 Year			
	20 Year				20 Year			
	25 Year				25 Year			
30 Year				30 Year				
ARM	Standard				High Balance / Super Max			
	Description	Index	Caps	Margin	Description	Index	Caps	Margin
	5/1	1-Year CMT	1/1/5	1.75%	5/1	1-Year CMT	1/1/5	1.75%

