



Your Easiest Path
to Homeownership™

Issue Date 08/14/19

Effective Date As Noted

GA 2019-017

Guide Announcement

VA and FHA Updated Refinance Requirements; updated FHA 4000.1

Purpose

This announcement includes the following topic(s):

- ✓ Updated VA Refinance Requirements
 - ✓ Updated FHA Refinance Requirements
 - ✓ Updated 4000.1
-

**Updated VA
Refinance
Requirements**

Per [Ginnie Mae APM 19-05](#) the following VA refinance requirements have been updated:

Seasoning

- ✓ Both of the following components must be met to ensure VA guaranty:
 - The date on which the borrower has made at least six-monthly payments on the loan being refinanced; and
 - The date that is 210 days after the **first payment DUE date** of the loan being refinanced

Refinance LTV

- ✓ All VA full doc refinance transactions must not exceed 90% LTV.
 - All full doc refinance loans with a total LTV >90% **must be locked by August 16, 2019 and closed by September 20, 2019** and have a first payment due date no later than November 1, 2019.

Note: These updates are effective immediately

**Updated FHA
Refinance
Requirements**

Per [FHA Mortgage Letter 2019-11](#) the maximum loan-to-value (LTV) and combined loan-to-value (CLTV) for Cash-Out Refinance Mortgages will be reduced from 85% to 80% effective with case numbers assigned on or after September 1, 2019.

Continued on next page





**Your Easiest Path
to Homeownership™**

Issue Date 08/14/19

Effective Date As Noted

GA 2019-017

VA and FHA Updated Refinance Requirements; updated FHA 4000.1, Continued

Updated FHA 4000.1 Handbook

FHA has published an update to their 4000.1 Handbook. The updated handbook contains technical changes for clarity and consistency as well as several policy updates. The changes may be implemented immediately but are **required for case numbers assigned on or after September 9, 2019**. Attached is the highlighted/marked up version showing the changes of the [FHA SF 4000.1 Handbook](#).

Effective Date(s) Noted within

Questions

Retail – Please contact your Manager with any questions
Mod Corr – Please contact your Account Executive with any questions

