

VA IRRRL

Program Guidelines



What is Virginia Housing's VA IRRRL program?	Virginia Housing's VA Interest Rate Reduction Refinance (IRRRL) program is a refinance program offered only to borrowers with current Virginia Housing VA or VA Bond loans. The loan is securitized by Ginne Mae via a mortgage-backed security (MBS). Requirements of this streamline refinance program are listed below.								
Loan Term	30 year fixed rate only.								
Maximum Lender Compensation	2.50% including SRP plus common and customary ancillary fees.								
Loan-to-Value (LTV)	Follow VA requirements.								
Eligible Mortgages	• Virginia Housing VA • Virginia Housing VA Bond								
Mortgage Insurance	Funding Fee per VA requirements.								
SPARC Eligible	No.								
FirstHome Dream Eligible	No.								
Plus Second Mortgage Eligible	No.								
DPA Grant Eligible	No.								
CCA Grant Eligible	No.								
First-time Homebuyer	Not required.								
Income Limits	Include all income of all borrowers. Documentation of income is not required but must be certified on Income Certification for Virginia Housing FHA-VA Streamline Refinance. <table border="1"> <thead> <tr> <th colspan="2">Maximum Borrower(s) Household Income:</th></tr> <tr> <th>Area</th><th>Any Person Household</th></tr> </thead> <tbody> <tr> <td>Washington-Arlington-Alexandria MSA:</td><td>\$240,000</td></tr> <tr> <td>Remainder of State:</td><td>\$155,000</td></tr> </tbody> </table>	Maximum Borrower(s) Household Income:		Area	Any Person Household	Washington-Arlington-Alexandria MSA:	\$240,000	Remainder of State:	\$155,000
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Area	Any Person Household								
Washington-Arlington-Alexandria MSA:	\$240,000								
Remainder of State:	\$155,000								
Maximum Loan Amount	Follow VA requirements / Energy efficient improvements may not be included.								
Eligible Purpose	Primary residence / owner occupied interest rate reduction refinance.								
Financed Closing Costs	Allowed per VA requirements.								
Programs Disclosure and Borrower Affidavit (Exhibit E)	Not required.								
Seller Affidavit (Exhibit F)	Not required.								
Originating Lender's Submission Cover Letter (Exhibit O)	Not required.								



Recapture	Loan is not subject to recapture.
Homebuyer Education	Not required.
Automated Underwriting System (AUS) / Manual Underwrites	Desktop Underwriter and Loan Product Advisor Total Scorecard not allowed. Loan must be manually underwritten meeting the more restrictive of Virginia Housing and VA IRRRL requirements.
Minimum Credit Score / Verification of Mortgage	No credit score requirement – this is a no credit qualifying refinance. Lenders must obtain a credit report to identify: • Judgments or liens. • Credit scores to be provided if available. Verification of the mortgage directly from Virginia Housing is required to confirm: • An acceptable mortgage payment history (no lates last six months paid by borrower obtaining VA Interest Rate Reduction Refinance). • The note date of the refinance loan must be on or after the later of: • The date that is 210 days after the first payment due date of the loan being refinanced, and • The date on which 6 full monthly payments have been made on the mortgage being refinanced. Mortgages with prior modification or partial claims are not eligible.
Maximum DTI	No maximum ratios with VA IRRRL.
Addition and Removal of Borrower	Follow VA requirements.
Non-Occupant Co-Borrowers	Not allowed.
Acceptable Funds to Close	Follow VA requirements for funds to close (Must verify borrower's funds to close).
Cash Back at Closing	Follow VA requirements for cash back at closing (Loan must involve no cash back to borrower except for minor adjustments at closing not to exceed \$500).
Appraisal	Not required.
Flood Certification	A new flood certification is required.
General Guidelines	Unless otherwise noted follow VA IRRRL requirements (with program overlays).
Lock-In	Loans locked on Virginia Housing's LOS – Mortgage Cadence – Select VA30F_IRRRL . Follow steps outlined in the Mortgage Cadence User Guide for registering and locking loans.

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Procedures



LLPAs	No additional Loan Level Pricing Adjustments (LLPAs).
Origination	Loan originated in accordance with program guidelines and VA guidelines.
Lender Delegated Underwriting Availability	All approved Virginia Housing lenders are automatically delegated for the VA IRRRL program (Even lenders that are not delegated on other products).
Underwriting	Loans underwritten in accordance with program guidelines and VA guidelines. PITI increases $\geq 20\%$ are not eligible in conjunction with Virginia Housing financing. Loan must meet VA's 36 months' recoupment requirement. Follow steps outlined in the Mortgage Cadence User Guide for submitting for Delegated Approval.
New Escrow Account	A new escrow account must be established: • A refund of the current escrow account will be sent to the borrower after the refinance has been completed and payoff of the original loan is received. • When establishing the new escrow account, include the amounts necessary to pay the hazard premium and taxes in the month prior to the due date. A two month cushion is required. • The borrower is not required to obtain a new hazard policy.
Loan Payoff Information	For loan payoff information: • Fax request to 804-343-8720; indicate that this is a Virginia Housing to Virginia Housing refinance and attach the Borrower's Authorization. • For a faster turn time use AutoFax Payoff by calling 800-235-6938; press 1, press 2, then press 4 for a faxed payoff statement.
Closing	Loans closed in accordance with standard VA guidelines. Loan must be closed in the name of the lender, registered in MERS with MERS compliant documents.
Funding	Originating lender will fund the first mortgage at closing.
Delivery	Loans submitted to Virginia Housing within 10 calendar days of closing. Follow steps outlined in the Mortgage Cadence User Guide for submitting a closed loan package. Documents must be uploaded using the Loan Stacking Form.
Pre-Purchase Review	Loans reviewed by Virginia Housing prior to purchase. If errors noted, Virginia Housing will contact lender.
Post-Closing	Standard post-closing documents must be submitted to Virginia Housing.
Important: Refer to the Origination Guide for more information about Virginia Housing eligibility requirements.	

The information contained herein (including but not limited to any description of Virginia Housing and its lending programs and products, eligibility criteria, interest rates, fees and all other loan terms) is subject to change without notice.

