

## APPENDIX 5

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**CREDIT QUALIFYING NO CASH OUT WITH AN APPRAISAL  
REFINANCE MORTGAGE CREDIT ANALYSIS WORKSHEET #1**

Use the Mortgage Credit Analysis Worksheet, HUD-53036  
Fully Credit Qualifying with Appraisal

**The Lesser of:**

<b>1-A. APPRAISED VALUE ONLY (No Closing Costs Added)</b>	
\$	Appraised Value (MCAW #13)
X	(Use 98.75% if Value is equal to or less than \$50,000)
<del>97.75%</del>	<b>Maximum Mortgage BEFORE LG Fee</b>

**OR**

<b>1-B. EXISTING DEBT PLUS ALLOWABLE ADDITIONAL ITEMS</b>	
\$	Principal Balance on existing first lien + prepayment penalties + up to 30 days interest accrued for the current month on the old loan
+	Allowable borrower-paid closing costs (MCAW 7c)
+	Property liens that are seasoned at least 1 year.
+	Repairs required by the appraiser (must be completed prior to closing)
+	Prepaid Expenses (Per diem interest to end of month on new loan + hazard insurance deposits + real estate tax deposits, if applicable)
+	Reasonable Discount Points
=	<b>Maximum Mortgage Amount BEFORE LG Fee</b>

**OR**

<b>1-C. ACQUIRED LESS THAN ONE YEAR (not 184 guaranteed)</b>	
\$	Original Sales Price
+	Repairs (if applicable) paid after purchase and documented in file and subordinate lien <1 year used for repairs/rehab after purchase and documented in file
X	(Use 98.75% if Value is equal to or less than \$50,000)
<del>97.75%</del>	<b>Maximum Mortgage BEFORE LG Fee</b>

**MAXIMUM MORTGAGE BEFORE LG FEE IS LOWEST OF 1-A, 1-B, 1-C**

- Lowest of 1-A, 1-B or 1-C or 150% of FHA loan limit is placed on MCAW, Line 14g
- Payoff of Existing Liens is placed on MCAW, Line 14a

- Term of the new loan can be up to 30 years.

- Owner-occupants and Tribal/TDHE/IHA loans.
- Payment can increase without restrictions.
- Social Security numbers must be verified for all borrowers (see paragraph 5.23c(12)).
- VOM or other documentation is required which includes principal balance, date loan originated, names of original borrowers, type of loan, and all credit verifications (VOE, VOD, etc.).
- **Acceptable** subordinate financing may remain in place without regard to the total indebtedness; that is, the combined amounts of the first and subordinate mortgages may exceed the maximum mortgage amount for the area (see paragraph 11-4(a)(4)).
- A pay-off statement from the previous lender showing the unpaid principal balance for the month of the closing for the previous loan should be included in the credit binder.
- No minimum time is required on the existing mortgage.

**CREDIT QUALIFYING, CASH BACK WITH AN APPRAISAL  
REFINANCE MORTGAGE CREDIT ANALYSIS WORKSHEET #2**

Use the Mortgage Credit Analysis Worksheet, HUD-53036  
Full Credit Qualifying with an Appraisal

<b>2-A. Owned <u>At Least One Year</u></b>	
\$	Appraised Value (MCAW #13)
+	Allowable borrower-paid closing costs (MCAW 7c) (Not to include discounts and prepaids)
=	
X 85%	
=	<b>Maximum Mortgage Amount BEFORE LG Fee</b>

If acquired less than one year ago, then use the LOWER of 2-A above or 2-B below.

<b>2-B. Only if Acquired <u>Less Than One Year Ago</u></b>	
\$	Original Sales Price
+	Allowable borrower-paid closing costs (MCAW 7c) (Not to include discounts and prepaids)
=	
X 85%	
=	<b>Maximum Mortgage Amount BEFORE LG Fee</b>

**MAXIMUM MORTGAGE BEFORE LG FEE IS LOWEST OF 2-A or 2-B**

- Lowest of 2-A or 2-B or 150% of FHA loan limit is placed on MCAW, Line 14g
  - Payoff of Existing Liens is placed on MCAW, Line 14a
- Term of new loan can be up to 30 years
  - Owner-occupants only. No Tribal/IHA/TDHE loans.
  - Payment can increase without restrictions
  - VOM or other documentation is required which includes principal balance, date loan originated, names of original borrowers, type of loan, and all required credit verifications (VOE, VOD, etc.)
  - There is no holding period, but if purchased within the past year, 14g is based on the calculation of the lesser of original sales price plus closing costs or appraised value plus closing costs.
  - All subordinate liens must be paid in the cash-back refinance or otherwise satisfied and released.
  - A pay-off statement from the previous lender showing the unpaid principal balance for the month of the closing for the previous loan should be included in the credit binder.
  - Temporary interest rate buydowns may not be used for a cash back refinance.
  - Not eligible for DG processing
  - Credit package must contain statement from borrower as to purpose of cash back
  - Last 12 mortgage payments (all if less than one year) including subordinate liens must have been made on time.

**NON CREDIT QUALIFYING STREAMLINE REFINANCE  
WITH AN APPRAISAL  
REFINANCE MORTGAGE CREDIT ANALYSIS WORKSHEET #3**

Use the Mortgage Credit Analysis Worksheet, HUD-53036  
Appraisal Required

**The Lesser of:**

<b>3-A. APPRAISED VALUE ONLY (No Closing Costs Added)</b>	
\$	Appraised Value (MCAW #13)
X 97.75%	(Use 98.75% if Value is equal to or less than \$50,000)
=	<b>Maximum Mortgage BEFORE LG Fee</b>

**OR**

<b>3-B. EXISTING DEBT PLUS ALLOWABLE ADDITIONAL ITEMS</b> (Subordinate liens and repairs are not eligible for inclusion in the maximum mortgage)	
\$	Principal Balance on existing first lien + up to 30 days interested accrued for the current month on the old loan
+	Allowable borrower-paid closing costs (MCAW 7c)
+	Prepaid Expenses (Per diem interest to end of month on new loan + hazard insurance deposits + real estate tax deposits, if applicable)
+	Reasonable Discount Points
=	<b>Maximum Mortgage Amount BEFORE LG Fee</b>

**MAXIMUM MORTGAGE BEFORE LG FEE IS LOWEST OF 3-A or 3-B**

- Lowest of 3-A or 3-B or 150% of FHA loan limit is placed on MCAW, Line 14g
- Payoff of Existing Mortgage is placed on MCAW, Line 14a

**Section 184 to Section 184** (file must contain proof existing mortgage is 184 guaranteed)

- Term of the new loan can be up to 30 years.
- Owner-occupants and Tribal/IHA/TDHE loans.
- An existing 30-year mortgage may be refinanced to a shorter term provided that the new monthly payment to principal and interest increased no more than \$50.
- Social Security numbers must be verified for all borrowers (see paragraph 5-23c(12)).
- VOM or other documentation is required which includes principal balance, date loan originated, names of original borrowers and type of loan.
- Subordinate financing may remain in place without regard to the total indebtedness; that is, the combined amounts of the first and subordinate mortgages may exceed the

maximum mortgage amount for the area if they will be clearly subordinated to the new 184 guaranteed mortgage.

- A pay-off statement from the previous lender showing the unpaid principal balance for the month of the closing for the previous loan should be included in the credit binder.
- A delinquent mortgage is generally not eligible for streamline refinancing until the loan is brought current. However, if the mortgage is delinquent by no more than two monthly payments, the refinancing lender may pay the borrower's mortgage to bring the payments current provided no obligation is placed on the borrower to repay the funds used to bring the mortgage current.

**NOTE:**

- A holding period of six months applies when a borrower is deleted due to devise or descent of law (e.g., divorce, death, etc.) and a quit claim of interest has been executed. Full credit qualifying is required if held less than six months and/or if due-on-sale clause is triggered.

**NON CREDIT QUALIFYING STREAMLINE REFINANCE  
WITHOUT AN APPRAISAL  
REFINANCE MORTGAGE CREDIT ANALYSIS WORKSHEET #4**

Use the Mortgage Credit Analysis Worksheet, HUD-53036

**The Lesser of:**

<b>4-A. \$</b>	<b>Original Principal Balance</b> (from the HUD-1 or the Note for the original loan)
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**OR**

<b>4-B. EXISTING DEBT PLUS ALLOWABLE ADDITIONAL ITEMS</b> (Subordinate liens and repairs are not eligible for inclusion in the maximum mortgage)	
\$	Principal Balance on existing first lien + up to 30 days interested accrued for the current month on the old loan
+	Allowable borrower-paid closing costs (MCAW 7c)
+	Prepaid Expenses (Per diem interest to end of month on new loan + hazard insurance deposits + real estate tax deposits, if applicable)
+	Reasonable Discount Points
	<b>Maximum Mortgage Amount BEFORE LG Fee</b>

= **Maximum Mortgage before Loan Guarantee Fee is Lesser of 4-A or 4-B**

- Lowest of 4-A or 4-B or 150% of FHA loan limit is placed on MCAW, Line 14g
- Payoff of Existing Mortgage is placed on MCAW, Line 14a

**Section 184 to Section 184** (file must contain proof existing mortgages is 184 guaranteed)

- Term of the new loan can be up to 30 years.
- Owner-occupant and Tribal/IHA/TDHE loans.
- An existing 30-year mortgage may be refinanced to a shorter term provided that the new month payment to principal and interest increases no more than \$50.
- Social Security numbers must be verified for all borrowers (see paragraph 5.23c(12)).
- VOM or other documentation is required which includes principal balance, date loan originated, names of original borrowers and type of loan.
- Subordinate financing may remain in place without regard to the total indebtedness; that is, the combined amounts of the first and subordinate mortgages may exceed the maximum mortgage amount for the area if they will be clearly subordinated to the new 184 guaranteed mortgage.

- A pay-off statement from the previous lender showing the unpaid principal balance for the month of the closing for the previous loan should be included in the credit binder.
- If an appraisal is ordered but the borrower decides to proceed with a streamline without an appraisal, the appraisal may be voided.

**NOTE:**

- A holding period of six months applies when a borrower is deleted due to devise or descent of law (e.g., divorce, death, etc) and a quit claim of interest has been executed. Full credit qualifying is required if held less than six months and/or if due-on-sale clause is triggered

## SECTION 184 INDIAN LOAN GUARANTEE PROGRAM REFINANCE SUBMISSION CHECKLIST – STREAMLINE REFINANCES

ITEM	INCLUDED
Maximum Mortgage Worksheet (Appendix 5 – Worksheet #3 or #4 as appropriate)	
Mortgage Credit Analysis Worksheet (Form HUD 53036)	
Good Faith Estimate	
Uniform Residential Loan Application/Addendum A (initial signed)	
Uniform Residential Loan Application/Addendum A (final/unsigned)	
Social Security Evidence/Native American ID	
VOM/Payoff Statement	
original borrower and type of loan Prior Loan is Existing Section 184 Guaranteed Loan and Case Number	
Flood Certificate	
Documentation on any <b>Acceptable</b> Subordinate Lien Remaining	
<b>FEE SIMPLE LAND</b>	
Preliminary Title Report	
<b>TRIBAL TRUST LAND</b>	
Current Title Status Report (with recorded lease)	
Leasehold Instrument (with all signatures as required) and Lessor Approval to Refinance	
<b>INDIVIDUAL ALLOTTED TRUST LAND (No Lease)</b>	
Current Title Status Report (including consent to mortgage from all owners if fractionated)	
<b>INDIVIDUAL ALLOTTED TRUST LAND (With Lease)</b>	
Current Title Status Report (with recorded lease)	
Leasehold Instrument (with all signatures as required)	
<b>CREDIT QUALIFYING ONLY:</b>	
Credit Report	
W-2's	
Paystubs	
Verification of Employment	
Payment History on Existing Mortgage and any Subordinate Liens	
CAIVRS	
<b>STREAMLINE WITH APPRAISAL ONLY</b>	
Appraisal and any Conditions	

**SECTION 184 INDIAN LOAN GUARANTEE PROGRAM  
REFINANCE SUBMISSION CHECKLIST - INDIVIDUAL BORROWERS  
CREDIT QUALIFYING CASH BACK WITH APPRAISAL**

ITEM	INCLUDED
Maximum Mortgage Worksheet for Refinances (Appendix 5 – Worksheet #2)	
Mortgage Credit Analysis Worksheet (Form HUD 53036)	
Good Faith Estimate	
Uniform Residential Loan Application/Addendum A (initial signed)	
Uniform Residential Loan Application/Addendum A (final/unsigned)	
Land Status and Jurisdiction Form	
VOM/Payoff Statement on Existing Mortgage and Subordinate Liens	
Documentation on Original Sales Price (Previous HUD-1)	
Statement from Borrower as to Purpose of Cash Back Refinance	
Appraisal Report (URAR Form 92800)	
Condition Sheet or explanation when appraisal subject to repairs/completion	
Borrower Native American ID and Social Security Evidence	
Credit Report	
W-2s (2 years)	
Paystubs	
Verifications of Employment	
Federal Income Tax Returns with all schedules (as applicable)	
Bank Statement(s)	
Verification of Deposit	
12 Month Verification of Prior Payment History (mortgage & subordinate liens) all payments made on time	
CAIVRS	
Flood Certificate	
Environmental Review	
Gift Letter or other documentation on source of funds if other than on deposit	
Letters of Explanation on Derogatory Credit	
<b>FEE SIMPLE LAND</b>	
Preliminary Title Report	
<b>TRIBAL TRUST LAND</b>	
Current Title Status Report (with recorded lease) and Lessor Approval to Refinance	
Leasehold Instrument (with all signatures as required)	
<b>INDIVIDUAL ALLOTTED TRUST LAND (No Lease)</b>	
Current Title Status Report (including consent to mortgage from all owners if fractionated)	
<b>INDIVIDUAL ALLOTTED TRUST LAND (With Lease)</b>	
Current Title Status Report (with recorded lease)	
Leasehold Instrument (with all signatures as required)	

**SECTION 184 INDIAN LOAN GUARANTEE PROGRAM  
REFINANCE SUBMISSION CHECKLIST  
CREDIT QUALIFYING NO CASH OUT WITH APPRAISAL**

ITEM	INCLU DED
Maximum Mortgage Worksheet for Refinances (Appendix 5 – Worksheet #1)	
Mortgage Credit Analysis Worksheet (Form HUD 53036)	
Good Faith Estimate	
Uniform Residential Loan Application/Addendum A (initial signed)	
Uniform Residential Loan Application/Addendum A (final/unsigned)	
Land Status and Jurisdiction Form	
VOM/Payoff Statement on Existing Mortgage and Subordinate Liens Seasoned One Year	
VOM/Payoff Statement on Subordinate Lien Less than 1 year-Include Canceled Checks/Pd Invoices for Repairs	
Documentation on Original Sales Price (Previous HUD-1)	
Appraisal Report (URAR Form 92800)	
Condition Sheet or explanation when appraisal subject to repairs/completion	
Borrower Native American ID and Social Security Evidence	
Credit Report	
W-2s (2 years)	
Paystubs	
Verifications of Employment	
Federal Income Tax Returns with all schedules (as applicable)	
Bank Statement(s)	
Verification of Deposit	
12 Month Verification of Prior Payment History (rental or mortgage)	
CAIVRS	
Flood Certificate	
Environmental Review	
Gift Letter or other documentation on source of funds if other than on deposit	
Letters of Explanation on Derogatory Credit	
<b>CONSTRUCTION DOCUMENTS (Single Close REHAB ONLY)</b>	
Detailed Plans and Specifications including Description of Materials	
Signed Contractor Cost Estimate(s) including name, address and phone no. of builder	
Breakdown of Costs	
Builders Certification, HUD 92541	
<b>FEE SIMPLE LAND</b>	
Preliminary Title Report	
<b>TRIBAL TRUST LAND</b>	
Current Title Status Report (with recorded lease)	
Leasehold Instrument (with all signatures as required) and Lessor Approval to Refinance	
<b>INDIVIDUAL ALLOTTED TRUST LAND (No Lease)</b>	
Current Title Status Report (including consent to mortgage from all owners if fractionated)	
<b>INDIVIDUAL ALLOTTED TRUST LAND (With Lease)</b>	
Current Title Status Report (with recorded lease)	
Leasehold Instrument (with all signatures as required)	

## SECTION 184 INDIAN LOAN GUARANTEE PROGRAM REFINANCE ENDORSEMENT SUBMISSION CHECKLIST

ITEM	INCL UD ED
Request for Endorsement (Form HUD 54111)	
Late Request for Endorsement - more than 60 days after closing (include a current pay history and reason)	
Payment of Guarantee Fee to Atlanta Lockbox (via check) Late Charges/Interest as necessary with HUD-53038	
Firm Commitment signed by HUD	
Final Mortgage Credit Analysis Worksheet	
Refinance Maximum Mortgage Worksheet (Appendix 5 – Worksheets #1 thru 4, as applicable)	
Final Signed Good Faith Estimate	
Final Signed Uniform Residential Loan Application and all executed pages of Addendum A	
Certified True Copy of Note	
Certified True Copy of Mortgage Instrument	
Certified True Copy of Section 184 Rider	
HUD-1 Settlement Statement (form HUD-1) with signatures of buyer, seller (if applicable) and closing agent	
Addendum Certifications to HUD-1 with signatures of buyer, seller (if applicable) and closing agent	
Flood Certificate	
<b>SINGLE CLOSE REHAB ONLY:</b>	
Maximum Mortgage Worksheet for Single Close	
Certified True Copy of Section 184 Applicant Acknowledgment	
Certified True Copy of Construction Loan Agreement	
Certified True Copy of Construction Loan Rider	
Evidence of Establishment of Construction/Rehab Escrow Account (copy of deposit slip or bank statement)	
<b>FEE SIMPLE LAND:</b>	
Title Policy (Title Commitment will be accepted for guarantee but copy of title policy must follow)	
<b>TRIBAL TRUST LAND:</b>	
Final signed TSR (after closing) with recorded and BIA approved Mortgage Instrument/Riders and Lease	
If New Lease, any existing lease must be canceled and removed from TSR	
Old Mortgage must be released on TSR and removed	
Certified True Copy of Lease	
BIA Certificate of Leasehold Mortgage Approval	
<b>INDIVIDUAL ALLOTTED TRUST LAND (No Lease):</b>	
Old Mortgage must be released on TSR and removed	
Final signed TSR (after closing) with recorded and BIA approved Mortgage Instrument/Riders	
BIA Certificate of Mortgage Approval (generally an attachment to the Mortgage)	
If fractionated land ownership (multiple owners other than our borrower), all individuals must approve Mortgage Instrument either on a Consent form or signature on the Mortgage Instrument (however BIA requires)	
<b>INDIVIDUAL ALLOTTED TRUST LAND (With Lease):</b>	
Final signed TSR (after closing) with recorded and BIA approved Mortgage Instrument/Riders and Lease	
If New Lease, any existing lease must be canceled and removed from TSR	
Old Mortgage must be released on TSR and removed	
Certified True Copy of Lease	
BIA Certificate of Leasehold Mortgage Approval	

PROOF OF ANY HUD FIRM COMMITMENT CONDITIONS NOT LISTED ABOVE: (please list)	
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