

VA IRRRL Program

Conforming and High Balance

Fixed Rate and ARM

Primary Residence				
Transaction Type	Units	LTV	CLTV	Credit Score
IRRRL	1	90%	90%	580 ⁷
IRRRL ¹	1-4 ⁶	125% ^{2,4}	Unlimited	600 ^{3,5}
Second Home ⁴				
Transaction Type	Units	LTV	CLTV	Credit Score
IRRRL	1	125%	Unlimited	680 ^{3,5}
Investment ⁴				
Transaction Type	Units	LTV	CLTV	Credit Score
IRRRL	1-4 ⁶	125%	Unlimited	680 ^{3,5}

Refer to REMN's VA Program matrix for purchase and cash-out guidelines.

Footnotes:

- Maximum loan amount \$1,000,000 with the exception of Hawaii. Maximum loan amount in the state of Hawaii is \$1,500,000.
- Base loan amounts ≤ \$417,000 (Alaska/Hawaii \$625,500 or \$750,000 in Honolulu county, HI) an AVM, with a confidence score of ≥ 80% is required. If the confidence score is < 80% a 2055 will be required. Refer to the [Appraisals](#) topic for specific requirements.
- Non-credit qualifying requires minimum 640 credit score.
- Conforming loan amount only for second home and investment. High balance ineligible.
- Base loan amounts > \$417,000 (Alaska/Hawaii > \$625,500 or > \$750,000 in Honolulu county, HI) subject to the following:
 - Credit score requirements:
 - 640 -719 credit score **requires** credit qualifying
 - ≥ 720 non-credit qualifying eligible
 - Maximum LTV is 100%
 - Full appraisal required
 - Mortgage history requirements:
 - 12 months for credit qualifying transactions
 - 24 months for non-credit qualifying transactions
 - Full credit report required on both credit and non-credit qualifying to verify mortgage history
- Non-credit qualifying permitted on 1-unit properties only. 2-4 units requires credit qualifying.
- Credit qualifying required. Refer to the Credit Score 580-599 topic for requirements specific to 580-599 FICO.

See next page for quick view eligibility chart.

VA IRRRL Program Guidelines

	Loan Amount			
	≤ \$417,000		> \$417,000*	
	Credit Qualifying	Non- Credit Qualifying	Credit Qualifying	Non-Credit Qualifying
Primary 1-unit	Eligible 580 FICO	Eligible 640 FICO	Eligible 600 FICO	Eligible 720 FICO
Primary 2-4 units	Eligible 600 FICO	Ineligible	Eligible 600 FICO	Ineligible
Second home 1-unit	Eligible 680 FICO	Eligible 680 FICO	Ineligible	Ineligible
Investor 1-unit	Eligible 680 FICO	Eligible 680 FICO	Ineligible	Ineligible
Investor 2-4 units	Eligible 680 FICO	Ineligible	Ineligible	Ineligible

*Refer to footnotes above for additional high balance requirements

Interest Rate Reduction Refinance Loan (IRRRL) General Information

An IRRRL is a VA guaranteed loan made to refinance an existing VA guaranteed loan. The PITI payment on the new loan must be less than on the existing loan unless one of the following applies:

- The loan term is reduced, or
- The veteran is refinancing to a more stable product (i.e. ARM or GPM to fixed rate).

Highlights of an IRRRL include:

- VA to VA refinance
- No Income
- No assets (unless borrower needs funds to close, then asset verification required)
- No ratios
- No termite inspection
- No monthly MI
- Maximum loan term is the original term of the VA loan being refinanced plus 10 years. New loan term can never exceed 30 years and 32 days.

Credit qualification (tri-merge credit report and standard credit underwriting guidelines) will be required if:

- The borrower's PITI payment will increase by more than 20%,
- A spouse will be removed from the original loan, or
- High balance transactions with a credit score < 720

If credit qualification required refer to the VA Program matrix for credit qualifying criteria.

VA guidelines can be found at: [VA Lenders Handbook - VA Pamphlet 26-7](#)

VA IRRRL Program Guidelines

Topic	Guideline
4506-T	Signed prior to loan closing.
Age of Documents	<ul style="list-style-type: none"> All credit, income and asset documentation must be ≤ 120 days from the Note date Appraisal must be dated with 180 days of the Note date.
Appraisals	<ul style="list-style-type: none"> The base loan amount is used to determine appraisal requirement ≤ 125% LTV and ≤ \$417,000 (Alaska/Hawaii \$625,500 or \$750,000 in Honolulu county, HI) an AVM, ordered from MMC, with a confidence score ≥ 80% is required. A 2055, ordered from MMC, will be required if the confidence score is < 80%. > \$417,000, a full appraisal is required. (Alaska and Hawaii, full appraisal required on loan amounts > \$625,500 or > \$750,000 in Honolulu county, HI). <ul style="list-style-type: none"> Maximum LTV is 100%. Appraisal can be ordered through any of REMN's approved Appraisal Management Companies listed below. The source of the closed comparable sales used in the appraisal must be from one of the following or a desk review will be required: <ul style="list-style-type: none"> A Multiple Listing Service (MLS), or MRIS (www.mris.com), or Midwest Real Estate Dated (MRED) (www.mredllc.com), or North Texas Real Estate Information Systems, Inc. NTREIS at (www.ntreis.net), or San Antonio Board of Realtors (www.sabor.com), or GeoData at www.geodataplus.com, or Comps Inc. at www.compsny.com <p>NOTE: Comparables from a public independent source are only eligible in the states of Vermont and Maine.</p> <ul style="list-style-type: none"> The appraisal may be charged to the borrower.
Appraisal Management Company (AMC)	<p>The AVM and 2055, if required, must be ordered from:</p> <ul style="list-style-type: none"> Mortgage Management Consulting (MMC) MMC
Assets	<ul style="list-style-type: none"> Not required unless funds are needed to close. Documentation is not required if funds needed to close is ≤ \$500.00. If funds needed to close > \$500.00, 2 months bank statements required
Assumptions	Not allowed
AUS	Manual underwrite only
Available Markets	<ul style="list-style-type: none"> All 50 states with the exception of Massachusetts and Nevada. Guam, Puerto Rico and the Virgin Islands are ineligible.

VA IRRRL Program Guidelines

Borrowers - Eligible	<ul style="list-style-type: none"> • Veteran or veteran and spouse. Must currently occupy the property. • A spouse may only be deleted from the new loan if the loan is credit qualified. • Loans where the borrowers are same-sex married couples are required to be submitted to the VA Regional Loan Center for review. The following information is required: <ul style="list-style-type: none"> - Date and name of the state where the marriage occurred, - The state the borrowers were residing in at the time of the marriage, - State where the subject property is located, - Current state of residence, and - Estimated loan closing date. - VA will review loans for the home loan guaranty benefit and determine if both spouses' income may be used.
Cash Back to Borrower	Maximum \$500.00
Credit Report	<p>Conforming Loan Amounts</p> <ul style="list-style-type: none"> • A mortgage only credit report with credit scores is acceptable unless the PITI payment is increasing by more than 20% or a spouse is being removed from the new loan then a tri-merge credit report is required. <p>High Balance Loan Amounts</p> <ul style="list-style-type: none"> • Full credit report to verify no major derogatory credit with the past 12 months. Major derogatory credit is defined as any payment > 60 days delinquent, collections and/or judgments (excludes medical/utilities).
Credit Score	<ul style="list-style-type: none"> • Minimum 600 for: <ul style="list-style-type: none"> - 1-4 unit primary credit qualifying conforming loan amount , and - 1-4 unit primary credit qualifying high balance loan amount • Minimum 640 for 1-unit primary non-credit qualifying conforming loan amount • Minimum 680 for second home and 1-4 investment property credit and non-credit qualifying conforming loan amount only (high balance ineligible). <p>NOTE: 2-4 unit owner-occupied and 2-4 unit investment properties require credit qualifying.</p> <ul style="list-style-type: none"> • Minimum 720 for 1- unit primary non-credit qualifying high balance loan amount <p>NOTE: < 720 credit score on high balance requires credit qualifying</p>
Credit Score 580-599	<ul style="list-style-type: none"> • Credit qualifying only. Refer to the VA Program guidelines for complete credit qualifying guidelines. • 1-unit only • Conforming and high balance • Maximum 90% LTV/CLTV • Minimum 2 year payment history on the loan being refinanced with a 0x30 in previous 24 months; < 2year payment history the loan is ineligible. • Maximum DTI 31%/43%, no exceptions. Maximum applies to both ratios individually (i.e. if the DTI is 34%/42% the loan is ineligible) <p>VA residual income requirements apply.</p>
Documentation	<ul style="list-style-type: none"> • Credit Qualifying: <ul style="list-style-type: none"> - Fully completed 1003 • Non-Credit Qualifying: <ul style="list-style-type: none"> - Abbreviated 1003 allowed. Section IV - Employment Information, Section V - Monthly Income and Combined Housing Expense Information and Section VI - Assets and Liabilities of the 1003 are not required (assets must be included if needed to close the transaction). • All loans: <ul style="list-style-type: none"> - Legible photo ID and social security card - Most recent mortgage statement - Copy of existing Note - Payoff statement with valid expiration

VA IRRRL Program Guidelines

Employment	<ul style="list-style-type: none"> A 2 year employment history is required. <p>Credit Qualifying IRRRLs:</p> <ul style="list-style-type: none"> A verbal verification of employment is required within 10 days of the Note date for salaried borrowers and within 30 days of closing for self-employed borrowers. 				
Escrow/ Impound Account	Required on all loans, no exceptions.				
Fees and Charges	<p>VA allows the following fees and charges:</p> <ul style="list-style-type: none"> 1% origination fee based on total loan amount. Fees determined by VA as unallowable cannot be charged, or 1% unallowable fees based on the total loan amount. An origination fee cannot be charged, or 1% blend of origination fee and unallowable fees based on the total loan amount. Fees cannot exceed 1% of the total loan amount. The veteran cannot pay any of the following fees: <ul style="list-style-type: none"> Attorney fees (unless the veteran independently retains an attorney) Pre-payment fees Real estate broker fees FHA re-inspection fees Termite inspection (allowed on refinance transactions only). <p>Unallowable Fees</p> <p>The following fees cannot be charged if a 1% origination fee is charged.</p> <table style="width: 100%; border: none;"> <tr> <td style="vertical-align: top;"> <ul style="list-style-type: none"> Lender's Inspection Lender's Appraisal Closing/Settlement Fee Doc Prep Fees Conveyance Fee Underwriting Fee Pest Inspection Fee Well/Septic Fee Escrow Fees Notary Fee Commitment fee Trustee Fee </td> <td style="vertical-align: top;"> <ul style="list-style-type: none"> Interest Rate Lock Fee Postage/Mail Charges Amortization Schedule Tax Service Fee Attorney's Services other than title work Loan Application/Processing Fee Fees for preparing Truth-in-Lending Prepayment Penalties (refinance) Any other fee not listed as allowable by VA Fees to Loan Brokers, Finders or other 3rd party fees </td> </tr> </table> <p>Allowable Closing Costs: The following fees may be charged:</p> <table style="width: 100%; border: none;"> <tr> <td style="vertical-align: top;"> <ul style="list-style-type: none"> Loan Origination Fee Reasonable Discount Points Appraisal Fee / Compliance Inspection Credit Report Fee (actual) Title examination / Title Insurance Fees Recording Fees & Taxes Prorated Taxes Hazard Insurance </td> <td style="vertical-align: top;"> <ul style="list-style-type: none"> Flood Insurance Flood Determination Federal Express / Express Mail (Refi only) Closing Protection Letter VA Funding Fee MERS Registration Survey / Plot Plan </td> </tr> </table> <p>Refer to the VA Handbook for detailed guidance on allowable fees and charges.</p>	<ul style="list-style-type: none"> Lender's Inspection Lender's Appraisal Closing/Settlement Fee Doc Prep Fees Conveyance Fee Underwriting Fee Pest Inspection Fee Well/Septic Fee Escrow Fees Notary Fee Commitment fee Trustee Fee 	<ul style="list-style-type: none"> Interest Rate Lock Fee Postage/Mail Charges Amortization Schedule Tax Service Fee Attorney's Services other than title work Loan Application/Processing Fee Fees for preparing Truth-in-Lending Prepayment Penalties (refinance) Any other fee not listed as allowable by VA Fees to Loan Brokers, Finders or other 3rd party fees 	<ul style="list-style-type: none"> Loan Origination Fee Reasonable Discount Points Appraisal Fee / Compliance Inspection Credit Report Fee (actual) Title examination / Title Insurance Fees Recording Fees & Taxes Prorated Taxes Hazard Insurance 	<ul style="list-style-type: none"> Flood Insurance Flood Determination Federal Express / Express Mail (Refi only) Closing Protection Letter VA Funding Fee MERS Registration Survey / Plot Plan
<ul style="list-style-type: none"> Lender's Inspection Lender's Appraisal Closing/Settlement Fee Doc Prep Fees Conveyance Fee Underwriting Fee Pest Inspection Fee Well/Septic Fee Escrow Fees Notary Fee Commitment fee Trustee Fee 	<ul style="list-style-type: none"> Interest Rate Lock Fee Postage/Mail Charges Amortization Schedule Tax Service Fee Attorney's Services other than title work Loan Application/Processing Fee Fees for preparing Truth-in-Lending Prepayment Penalties (refinance) Any other fee not listed as allowable by VA Fees to Loan Brokers, Finders or other 3rd party fees 				
<ul style="list-style-type: none"> Loan Origination Fee Reasonable Discount Points Appraisal Fee / Compliance Inspection Credit Report Fee (actual) Title examination / Title Insurance Fees Recording Fees & Taxes Prorated Taxes Hazard Insurance 	<ul style="list-style-type: none"> Flood Insurance Flood Determination Federal Express / Express Mail (Refi only) Closing Protection Letter VA Funding Fee MERS Registration Survey / Plot Plan 				

VA IRRRL Program Guidelines

Funding Fee	0.50%. The Certificate of Eligibility, issued by VA, will indicate if the veteran is exempt, or non-exempt from paying the VA Funding Fee.
Guaranty	A minimum 25% guaranty is required.
Higher Priced Mortgage Loan	Not eligible for non-credit qualifying.
LDP/GSA	<p>LDP / GSA LDP / GSA</p> <p>All of the following parties to the transaction, as applicable, must be checked against HUD's Limited Denial of Participation list and the General Service Administration's Excluded Parties List System.</p> <ul style="list-style-type: none"> - Borrower(s), - Broker, - Loan Agent, - Appraiser (if applicable).
Maximum Loan Amount	<p>Maximum Base Loan Amount ≤ \$417,000 (Alaska/Hawaii \$625,500 or \$750,000 in Honolulu, county, HI)</p> <p>Lesser of:</p> <ul style="list-style-type: none"> • Existing VA loan pay off - Unpaid principal balance, plus allowable VA closing costs, plus VA funding fee (if applicable), plus up to 2 discount points, or • The appraised value (AVM or 2055) x 125%. <p>Maximum Base Loan Amount ≥ \$417,001 (\$625,500 in Alaska/Hawaii or > \$750,000 in Honolulu county, HI)</p> <p>Lesser of:</p> <ul style="list-style-type: none"> • Existing VA loan pay off – Unpaid principal balance, plus allowable VA closing costs, plus VA funding fee (if applicable), plus up to two discount points, or • The appraised value (full conventional appraisal required) x 100% as applicable. <p>Refer to the Fees and Charges topic above for details on allowable/unallowable fees.</p>
Mortgage History/Seasoning	<ul style="list-style-type: none"> • 0 x 30 in previous 12 months on loan amounts ≤ \$417,000 • 0x30 in previous 24 months for loan amounts ≥ \$417,001 (\$625,500 in Alaska/Hawaii or > \$750,000 in Honolulu county, HI). If < 24 months on current mortgage for subject property, prior mortgages may be used to meet the 24 month history requirement. No increase from current housing payment allowed. • Mortgage must be current and due for the month closing. • Borrower must have made a minimum of 12 mortgage payments prior to application. • Credit score of 580-619: A minimum 24 month mortgage seasoning with 0x30 in previous 24 months on the loan currently being refinanced. Borrowers without a 24 month mortgage seasoning on the current loan are ineligible.
Occupancy	<ul style="list-style-type: none"> • 1-4 unit owner-occupied primary residence • 1- unit second home • 1-4unit investment
Prepayment Penalty	Not permitted
Products	Fixed rate: 15, 20, 25 or 30 year ARM: 5/1 Caps: 1/1/5 caps Margin: 2.00

VA IRRRL Program Guidelines

Properties Listed for Sale Within the Previous 12 months	<ul style="list-style-type: none"> • Properties that were listed for sale in the previous 12 months must be taken off the market prior to the application date. • A property listed for sale will be considered for a rate/term refinance as long as the listing has been cancelled, expired or withdrawn. • A letter of explanation is required.
Refinance Transactions	Continuity of obligation requires that at least one of the borrowers on the refinance transaction is currently on the title of the property being refinanced.
Reserves	Not required
Subordinate Financing	<ul style="list-style-type: none"> • Eligible subject to the CLTV limits on the matrix located on page 1. • New loan proceeds cannot be used to pay off any existing subordinate financing. Existing subordinate financing must subordinate to the new loan.
Temporary Buydowns	Not allowed