

FHA streamline guidelines and requirements

How to streamline refinance your FHA home loan

FHA loans can help you buy a home when you have a moderate income or limited funds for a down payment. When you already own a home and rates decrease, they can make refinancing easier with [FHA streamline refinancing](#). The streamline program lets you to get a new lower rate or better terms with limited paperwork.

If you are a Freedom Mortgage customer, you can refinance your FHA loan through our streamline process with no home appraisal, no income verification, easy credit terms, and a fast closing.

You can keep your also current term when you refinance with us. For example if you have 20 years left on your current FHA loan, you can get your new loan at 20 years rather than going back to a 30 year mortgage.

To find out if you qualify for streamline refinancing, visit our [Get Started](#) page or call us at 877-220-5533.

[Video link](#)

What are the requirements for an FHA streamline refinance

Streamline refinancing is often called "simpler" refinancing because the requirements can be easier to meet than those for conventional mortgage refinances. The rules for FHA streamline refinances are set by the U.S. Department of Housing and Urban Development (HUD) and include ...

- **Having an FHA loan.** To be eligible for streamline refinancing, you need to replace an existing FHA loan with a new FHA loan.
- **Having the FHA loan for six months.** HUD rules require at least six months to have passed since your first payment due date on your current loan and at least 210 days to have passed since the closing date of the FHA loan you are refinancing. This is sometimes called "seasoning."



- **Making recent payments on time.** You need to have made your last six mortgage payments on time to be eligible for streamline refinancing.

Receiving a financial benefit. HUD rules require that you receive a net tangible benefit (NTB) from FHA streamline refinancing. This benefit usually requires a reduction in your rate and/or term.

Taking little cash out. You can't take more than \$500 from your mortgage when you streamline refinance.

There are no income limits and no maximum loan-to-value ratios with FHA streamline refinances. Streamline refinances do have maximum mortgage amounts based on the outstanding balance of your existing mortgage.

You will need to meet your lender's credit, income, and financial requirements to get your FHA refinance approved. At Freedom Mortgage, we are committed to helping qualified homeowners with FHA loans enjoy the benefits of streamline refinancing.

FHA streamline refinance closing costs

You may have to pay closing costs with an FHA streamline refinance. Most homeowners will be required to pay a new Upfront Mortgage Insurance Premium (UFMIP) when they refinance their FHA loan. You may also need to pay escrows, per diem interest, government recording costs, and other fees at closing.

HUD rules do not allow you to include closing costs in the new mortgage amount when you streamline refinance. You need to pay these closing costs in cash at closing. Some lenders may offer you "no cost" refinances, where they pay the closing costs in return for a higher interest rate on your new FHA loan.

Benefits of FHA streamline refinance

Streamline refinancing makes it easier to lower your rate with less paperwork and faster closings. By refinancing, the total finance charges you pay may be higher over the life of the loan. To help make sure you save money by refinancing, keep your monthly payment and the length of your loan term the same.



Is an FHA streamline refinance right for you?

To find out whether you qualify for streamline refinancing and if it makes sense for you, reach out to our Freedom Mortgage Loan Advisors by visiting our [Get Started](#) page or calling us at 877-220-5533.

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