

FHA Streamline Refinance Net Tangible Benefit (NTB) Worksheet

Loan #: _____ Borrower Name: _____

Underwriter Name: _____ Date: _____

Benefit Test 1: Reduction in Total Mortgage Payment*

Current P & I Payment-1 st Mtg	\$ _____	
Current P & I Payment-2 nd Mtg	\$ _____	
Monthly Mortgage Insurance	\$ _____	
Total Current Housing Expense:		\$ _____ (1a)
Proposed P & I Payment-1 st Mtg	\$ _____	
Proposed P & I Payment-2 nd Mtg	\$ _____	
Monthly Mortgage Insurance	\$ _____	
Total Proposed Housing Expense:		\$ _____ (1b)
% Difference in Monthly Payment (1a-1b)/1a x 100		_____ % (1c)

Benefit Test 2: Converting from 1-YR ARM to Fixed

Interest Rate on Current Loan	_____	% (2a)
Interest Rate on Proposed Loan	_____	% (2b) *
Difference (2b-2a):	_____	% (2c)

*New interest rate must be no greater than two percentage points above the current interest rate of the ARM

Benefit Test 3: Converting from Fixed Rate to 1-yr ARM

Interest Rate on Current Loan	_____	% (3a)
Interest Rate on Proposed Loan	_____	% (3b) **
Difference (3a-3b):	_____	% (3c)

** New interest rate must be at least two percentage points below the current interest rate of the fixed rate mortgage

Benefit Test 4: Converting from Hybrid ARM (3/1 or 5/1) to Fixed

Current P & I Payment-1 st Mtg	\$ _____	
Current P & I Payment-2 nd Mtg	\$ _____	
Total Current Housing Expense:		\$ _____ (4a)
Proposed P & I Payment-1 st Mtg	\$ _____	
Proposed P & I Payment-2 nd Mtg	\$ _____	
Total Proposed Housing Expense:		\$ _____ (4b)
% Difference in Monthly Payment (4b-4a) /4a x 100		_____ %(4c)

The table below provides the net tangible benefit requirements for various types of refinances

Type of Fixed Rate Refinance	Requirement to Establish Net Tangible Benefit
Fixed Rate to Fixed Rate	Reduction of a least 5% of P&I and MIP
Fixed Rate to One-Year ARM	New interest rate must be at least two percentage points below the current interest rate of the fixed rate mortgage
Fixed Rate to Hybrid ARM	Reduction of at least 5% of P&I and MIP

Type of ARM Refinance	Requirement to Establish Net Tangible Benefit
One-Year ARM to Fixed Rate Refinance	New interest rate must be no greater than two percentage points above the current interest rate of the existing ARM
One-Year ARM to One- Year ARM Refinance	Reduction of at least 5% of P&I and MIP
One-Year ARM to Hybrid ARM Refinance	New interest rate must be at least two percentage points below the current interest rate of existing ARM
Hybrid ARM (during Fixed Period) to Fixed Rate Refinance	Reduction of at least 5% of P&I and MIP
Hybrid ARM (during Fixed Period) to One-Year ARM	New Interest rate must be at least two percentage points below the current interest rate of the existing ARM
Hybrid ARM (during Fixed Period) to Hybrid ARM	Reduction of at least 5% of P&I and MIP
Hybrid ARM (during Adjustable Period) to Fixed Rate	New interest rate must be no greater than two percentage points above the current interest rate of the existing ARM
Hybrid ARM (during Adjustable Period) to One-year ARM	Reduction of at least 5% of P&I and MIP
Hybrid ARM (during Adjustable Period) to Hybrid ARM	New interest rate must be at least two percentage points below the current interest rate of the existing ARM