

Michigan State Housing Development Authority Homeownership Refinance Programs

In an attempt to combat the State of Michigan's Foreclosure epidemic, MSHDA is proposing two new refinance loan programs;

- ARM Assist Refinance

The purpose of this new refinance program is to assist individuals who currently have an adjustable rate mortgage and would like to obtain a fixed rate loan in order of creating housing expense certainty. The current rate on the adjustable loan must be increasing and/or projected to increase, thus dramatically raising owners housing expense.

- MSHDA Income limits apply and are available at: [MSHDA Income and Sales Price Limits](#)
- Maximum loan limits will mirror our current sales price limits and are available at: [MSHDA Income and Sales Price Limits](#)
- Home must be the borrowers permanent residence or owner occupied
- Proceeds of the refinance will be only used to;
 - Payoff existing first mortgage
 - Roll in closing costs and prepaid expenses (taxes and insurance escrows)
 - Amount required to satisfy subordinate mortgage liens, if the lien was obtained to purchase the home
- No cash back to the borrower at loan closing
- 30 year fixed rate term loan
- 100% loan to value, based on current appraisal
- Overall good credit history

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- MSHDA Rescue Refinance

The Purpose of this new refinance program is to assist individuals who currently have a delinquency on their mortgage and for whom a loss mitigation strategy aimed at reinstating their existing mortgage is not plausible. Borrowers cannot have more than 3 x 30 day's late on their housing payment history within the last 12 month and be current at time of application.

- MSHDA Income limits apply and are available at: [MSHDA Income and Sales Price Limits](#)
- Maximum loan limits will mirror our current sales price limits and are available at: [MSHDA Income and Sales Price Limits](#)
- Home must be the borrowers permanent residence or owner occupied
- Proceeds of the refinance will be only used to:
 - Payoff existing first mortgage
 - Roll in closing costs and prepaid expenses (taxes and insurance escrows)
 - Payoff subordinate liens that are seasoned 6 months or more
- No cash back to the borrower at loan closing
- 30 year fixed rate term loan
- 100% loan to value, based on current appraisal
- Credit history of borrower will be reviewed to determine past performance in paying debts in a timely manner. Borrowers cannot have more than 3 times 30 days late on their housing payment in the last 12 months.