

## Texas 50(a)(6) Refinance Checklist

Texas Section 50(a)(6) loan is a home equity/cash out refinance; a lien secured under the provisions of Article XVI, Section 50(a)(6) of the Texas Constitution, which allow a borrower to take equity out of a homestead property under certain conditions. Does not apply to investment properties and second homes.

**Complete the following checklist to confirm eligibility for Texas 50(a)(6) refinance.**

ELIGIBLE PROGRAMS	
<input type="checkbox"/>	Conventional (Fannie Mae and Freddie Mac)
<input type="checkbox"/>	Zuma

DISCLOSURE DESK REQUIREMENTS	
<input type="checkbox"/>	Notice Concerning Extensions of Credit Defined by Section 50(a)(6), Article XVI, Texas Constitution Disclosure (12-Day Letter) has been provided within 3 business days* of the application date

UNDERWRITING REQUIREMENTS	
<input type="checkbox"/>	Notice Concerning Extensions of Credit Defined by Section 50(a)(6), Article XVI, Texas Constitution Disclosure (12-Day Letter) is executed 12 business days* prior to note date (Spouse must sign)
<input type="checkbox"/>	1-unit primary resident only (2-4 unit and condo-tel not allowed)
<input type="checkbox"/>	12 mos. seasoning required on existing mortgage from closing date
<input type="checkbox"/>	All borrower(s) must be owner occupied (non-occupant co-borrower not allowed)
<input type="checkbox"/>	Borrower(s) must have a minimum FICO Score 620
<input type="checkbox"/>	Not allowed on student loan cash-out refinance feature code (SFC) 841
<input type="checkbox"/>	Subordinate financing is not allowed
<input type="checkbox"/>	Leasehold property not allowed
<input type="checkbox"/>	Maximum LTV/CLTV is 80%
<input type="checkbox"/>	Full Appraisal (Maximum acreage cap at 10)
<input type="checkbox"/>	Interest Only Program and 2-4 unit properties are not allowed
<input type="checkbox"/>	Requires 2 <sup>nd</sup> signature from underwriting manager

CLOSING REQUIREMENTS	
<input type="checkbox"/>	Loan cannot close until 12 business days after the execution of the 12-Day Letter Disclosure – Section 50(a)(6) (Spouse must sign)
<input type="checkbox"/>	Owner’s Affidavit of Compliance – Section 50(f)
<input type="checkbox"/>	All borrower(s) on title must be on loan
<input type="checkbox"/>	Hybrid eClose not allowed
<input type="checkbox"/>	Final Closing Disclosure (CD) finalized one business day prior to consummation (Allowable fees cannot exceed 2%)
<input type="checkbox"/>	Form T-19 Endorsement: Requires Survey or T-47 Residential Real Property Affidavit

\*Business Day: Under Title 7, Section 153.1(2) of the Texas Administrative Code, “business day” is defined as all calendar days except Sundays and federal public holidays.

For additional questions, please contact [compliance@jmac lending.com](mailto:compliance@jmac lending.com).