



Last Reviewed: 08/30/2023



Texas 50(a)(6) and Texas 50(a)(4)

Refinance Eligibility Matrix

Information and Disclaimers Regarding Use of this Document

This document is not intended to replace Agency of FGMC Non-Agency guidelines. All Texas loans must be originated in accordance with requirements set forth in:

1. The Texas Constitution
2. Texas Civil Statutes
3. The Texas Finance Code
4. All Applicable Laws
5. Applicable Agency or FGMC Non-Agency guidelines, unless otherwise noted in this document

This document is an aid to help determine whether a Mortgage Loan qualifies for certain financing. In the event of any conflicts between this document and Agency/Non-Agency Guidelines, follow the more restrictive guidance.

Matrix

The following Matrix is an aid to determine whether a loan meets eligibility criteria for Texas 50(a)(6). Note that this Matrix may not account for all scenarios and all Texas loans must meet the 50(a)(6) requirements, regardless of the information provided in this Matrix.

If the Following Conditions Exist:

Then the New Loan is Considered:

Current Lien(s) ^{1,2}	Is Current 1 st a 50(a)(6)?	Is Current 2 nd a 50(a)(6)	Is 2 nd to be Paid Off?	Is 2 nd to be Subordinated?	Any Cash to Borrower?	Limited Cash Out (Rate & Term Refi) Loan Purpose	Cash Out Refinance Loan Purpose	Subject to 50(a)(6)	Eligible for 50(a)(4) at Borrower Discretion?
1st Mortgage Only; No Existing 2nd Mortgage	No				No	X		No ³	No
	No				Yes		X	Yes	No
	Yes				No	X	X	Yes/No	Yes
	Yes				Yes		X	Yes	No
1st Mortgage & 2nd Mortgage = Purchase Money	No	No	No	Yes	No	X		No ³	No
	No	No	No	Yes	Yes		X	Yes	No
	No	No	Yes		No	X		No ³	No
	No	No	Yes		Yes		X	Yes	No
	Yes	No	No	Yes	No	X	X	Yes	Yes
	Yes	No	No	Yes	Yes	X	X	Yes	No
	Yes	No	Yes		No	X		Yes	No
	Yes	No	Yes		Yes	X	X	Yes	No



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1st Mortgage & 2nd Mortgage = Qualified Home Improvement Loan	No	No	No	Yes	No	X		No ³	No
	No	No	No	Yes	Yes		X	Yes	No
	No	No	Yes		No	X		No ³	No
	No	No	Yes		Yes		X	Yes	No
	Yes	No	No	Yes	No	X	X	Yes/No	Yes
	Yes	No	No	Yes	Yes		X	Yes	No
	Yes	No	Yes		No	X	X	Yes/No	Yes
	Yes	No	Yes		Yes		X	Yes	No
1st Mortgage 2nd Mortgage = NOT Purchase Money or Home	No	Yes	No	Yes	Not Permitted	X		Not Permitted	Not Permitted
	No	Yes	Yes		No		X	Yes	No
	No	Yes	Yes		Yes		X	Yes	No

Footnotes

1. Second Mortgage that is subject to 50(a)(6) may not be re-subordinated if the new first mortgage will be subject to Section 50(a)(6); it must be closed.
2. HELOC subordinate financing is NOT permitted
3. If "No," loan is not subject to Texas 50(a)(6) requirements. Follow Product Profile Requirements.