



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.

Eligible Programs	
<input type="checkbox"/>	Conventional Agency (AGN Program Codes)
Disclosure 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"/>	12 mos. seasoning required on existing mortgage from closing date
<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 (PIW not Allowed)
<input type="checkbox"/>	Primary Residence Only
<input type="checkbox"/>	SFR, Condo & PUD Only
<input type="checkbox"/>	Property Survey
<input type="checkbox"/>	Affidavit Regarding Refinance of an Existing Home Equity Loan to a Non-Home Equity Loan – Section 50(a)(6) to 50(f)(2)
<input type="checkbox"/>	No cash back allowed (principal reduction allowed based on principal reduction policy)
<input type="checkbox"/>	Calculated total of fees does not exceed 2% of principal loan amount
<input type="checkbox"/>	Black, Mann & Graham: Renewal and Extension Rider
<input type="checkbox"/>	Black, Mann & Graham: Affidavit Made Pursuant to Subsection (f-1) of Section 50. Article XVI, of the Texas Constitution
<input type="checkbox"/>	Polunsky Beitel Green: Renewal and Extension Rider (recommended for NOO, not required)
<input type="checkbox"/>	Polunsky Beitel Green: Affidavit Regarding Refinance of an Existing Home Equity Loan to a Non-Home Equity Loan (50(a)(4))

*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.