

DU Refi Plus

Full Doc (DU ONLY)				
OCCUPANCY	NUMBER OF UNITS	LTV	CLTV	Conforming & High Bal. Min. FICO
Owner Occupied (O/O)	1-4 units	105%	105%	660
Second Home (2nd)	1 unit	105%	105%	660
Non-owner Occupied (N/O/O)	1-4 units	105%	105%	660

VOE Doc (DU ONLY)				
OCCUPANCY	NUMBER OF UNITS	LTV	CLTV	Conforming & High Bal. Min. FICO
Owner Occupied (O/O)	1-4 units	105%	105%	660

General Guideline	
PROGRAM DESCRIPTION	<ul style="list-style-type: none"> DU Refi Plus is a limited cash-out (Rate&Term) refinance program and is available only for loans with <u>No Mortgage Insurance on the existing loan.</u> Cash back to borrower not to exceed \$250. If changes exceed \$250, loan amount must be adjusted, or <u>Principal Reduction is allowed up to \$1,000</u>
BORROWER BENEFIT	<ul style="list-style-type: none"> The borrower must be receiving a benefit from refinancing under DU Refi Plus in the form of either: <ul style="list-style-type: none"> Reduced monthly mortgage payment or More stable mortgage product, such as: <ul style="list-style-type: none"> ARM product -> Fixed Interest Only -> Fully amortized 30 yr term to 15-year term The required borrower benefit must be noted in the underwriter approval rationale on the 1008.
EXISTING MORTGAGE OWNED BY FANIE MAE	<ul style="list-style-type: none"> The existing loan must be currently owned by Fannie Mae. To determine FNMA ownership, go to https://www.efanniemae.com/sf/mha/index.jsp <ul style="list-style-type: none"> To check if the loan is a FNMA owned, homeowners can contact FNMA Resource Center at 800-732-6643 or email to resource_center@fanniemae.com An accurate address is critical to determining if the subject property address on the loan casefile matches a subject property address for an existing Fannie Mae loan. Incomplete and/or inaccurate property address data may prevent a loan casefile from being underwritten according to DU Refi Plus underwriting guidelines.
BORROWER ELIGIBILITY	<ul style="list-style-type: none"> Borrowers on the existing mortgage must match the borrowers on the new mortgage. Borrowers may not be removed in the new transaction. <p>Exception: A borrower may be removed from a new loan,</p> <ul style="list-style-type: none"> If the remaining borrower can provide evidence that he/she has been making payments from his/her own funds for the last 12 months (Funds from joint accounts not permitted) The borrower removed from the loan must also be removed from the deed. If the borrower is removed as a result of a death, 12 mo payment history and removal of a borrower from the deed is not required, although the remaining borrower must provide evidence of the previous borrower's death. A new borrower may be added to the new loan, provided the existing borrower(s) are retained.
SUBORDINATE FINANCING	<ul style="list-style-type: none"> New Subordinate Financing not permitted Existing subordinate liens must be re-subordinated. The payoff of subordinate liens with the new mortgage is not permitted.
LOAN TERMS	<ul style="list-style-type: none"> Conforming Fixed Rate: For Full Doc, 10, 15, 20, 30 yr Term (product code: MP-10, 15, 20, 30) For VOE Doc, 15 & 30 year term only (VMP-15, 30) High Balance Fixed Rate: 15 & 30 yr Term (product code: MPH-15, 30 / VMPH-15, 30)

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General Guideline	
ELIGIBLE PROPERTY TYPE	<ul style="list-style-type: none"> ▪ 1 unit, including SFR and FNMA eligible PUDs/Condos ▪ 2-4 units
MAXIMUM LOAN AMOUNT	<ul style="list-style-type: none"> ▪ Loan amount up to \$729,750 for High Cost Area
LTV/CLTV	<ul style="list-style-type: none"> ▪ Maximum LTV / CLTV with no MI is 105%.
OCCUPANCY	<ul style="list-style-type: none"> ▪ Primary Residence ▪ 2nd home ▪ Investment Property
INELIGIBLE EXISTING LOAN	<ul style="list-style-type: none"> ▪ Existing loan has mortgage insurance in place. ▪ Mortgage loans that are subject to any credit enhancement other than bwr-paid Mortgage Insurance. ▪ Loan <u>Not</u> currently owned by Fannie Mae ▪ Loan has Lender-purchased MI. ▪ Loans that are currently subject to any repurchase request from Fannie Mae. ▪ Reverse mortgage loans ▪ Second mortgage loans ▪ Loans delivered to Fannie Mae after March 1st 2009 ▪ Loans that are not identified as DU Refi Plus per DU findings.
INELIGIBLE NEW LOAN	<ul style="list-style-type: none"> ▪ Mortgage insurance is required on a new loan. ▪ Flexible Mortgage, MyCommunity Mortgage, Bond Program, or Interest Only Feature ▪ New subordinate Financing ▪ Construction to Permanent ▪ More than \$250 cash back
MORTGAGE INSURANCE	<ul style="list-style-type: none"> ▪ Mortgage Insurance is not required if, <ul style="list-style-type: none"> • The existing loan does not have mortgage insurance in force regardless of current LTV and DU Finding states that Mortgage Insurance is not required.
DU FINDINGS	<ul style="list-style-type: none"> ▪ DU findings must have the following message to be eligible for DU Refi Plus: <i>"This loan casefile was underwritten according to the DU Refi Plus expanded eligibility guidelines offered on certain limited cash-out refinance loan casefiles where the borrower's existing loan is identified by DU as a Fannie Mae loan. This loan casefile must be delivered with Special Feature Code 147"</i> ▪ Loans must receive DU Approve/Eligible.
QUALIFYING RATE	<ul style="list-style-type: none"> ▪ Determined by DU
CREDIT	<ul style="list-style-type: none"> ▪ Minimum FICO Scores - 660 ▪ Minimum 2 FICOs required for All Borrowers.
TRADELINES	<ul style="list-style-type: none"> ▪ DU Approve/Eligible: The underwriter must compare information from the credit report for the loan with the data used by DU to evaluate the loan to ensure the DU recommendation was based on complete and accurate credit information. ▪ DU approval is based on <u>authorized user account trade line(s)</u>: <ul style="list-style-type: none"> - Must have a Min. <u>3 Tradelines</u> (1 open & 2 can be closed) rated for 12 mos, regardless of DU.
MORTGAGE HISTORY	<ul style="list-style-type: none"> ▪ Determined by DU. ▪ If a mortgage trade line was not included in the credit bureau report used by DU, the underwriter must obtain written confirmation to verify that the existing loan is current, with 0x30 day late within the 12 months prior to the credit report date.
BANKRUPTCY	<ul style="list-style-type: none"> ▪ BK CH 7 or CH 11 - 4 years from discharge or dismissal date. ▪ Chapter 13 - 2 years from the discharge date or 4 years from the dismissal date ▪ Multiple Bankruptcy Filings within 7 yrs - 5 years from most recent discharge or dismissal date.
FORECLOSURE	<ul style="list-style-type: none"> ▪ 7 years from completion date
DEED-IN-LIEU FORECLOSURE, PRE-FORECLOSURE, OR SHORT SALE	<ul style="list-style-type: none"> ▪ 2 years from completion or settlement date
ESCROW IMPOUNDS	<ul style="list-style-type: none"> ▪ Impounds for taxes and insurance are required, if LTV is above 80% or State-specific (California - Impounds required if LTV ≥ 90%)

DU Refi Plus

General Guideline	
AGE OF CREDIT DOCUMENTS	<ul style="list-style-type: none"> Credit documents cannot be older than 60 days from the funding date. Credit documents include credit report, employment, income and asset documentation (Appraisal & Prelim are good for 90 days)
DTI RATIO	<ul style="list-style-type: none"> Determined by DU
INCOME	<ul style="list-style-type: none"> Determined by DU VOE (Form 1005) allowed on Owner-Occupied Only. 4506-T: <ul style="list-style-type: none"> Require signed 4506-T Form from all borrowers at both application and closing. Paystubs: provide most recent 30 day period with YTD earnings Tip Income: <ul style="list-style-type: none"> Tip income may be used if the borrower has received it for the last 2 years and the employer indicates that the tip income will in all probability continue. Both Tax Returns and Written VOE are required for underwriter to determine the amount of tip income that may be considered in qualifying the borrower. Verbal VOE: Verbal Verification of employment is required for all borrowers. <ul style="list-style-type: none"> Salaried and commission income - verbal VOE within 10 days prior to note date. Self-employed Income - Verbal VOE within 30 days prior to note date.
ASSET / RESERVES	<ul style="list-style-type: none"> Determined by DU Bank statements or Computer-generated VODs must be provided (Written VODs are not allowed). Determining the value of the asset when used for reserves: <ul style="list-style-type: none"> Stocks, Bonds, and mutual funds: 70% of the value may be used as reserves. Retirement Accounts: 60% of the vested value may be used (reduced from 70%)
CONDOS / PUDS PROJECT REVIEW	<ul style="list-style-type: none"> A project review for condominium or PUD projects is not required. However, underwriters must confirm the Condominium or PUD is on the Fannie Mae approved project list.
INSURANCE FOR CONDOS	<ul style="list-style-type: none"> HO-6 insurance coverage is not required for condominiums.
APPRAISAL REQUIREMENT	<p>Standard Appraisal</p> <ul style="list-style-type: none"> Full Appraisal (Interior & Exterior) is required with Appraisal addendum (1004MC) <p>Property Inspection Waiver (PIW)</p> <ul style="list-style-type: none"> Underwriter must comply with the property fieldwork recommendation issued by DU. DU may waive the requirements of an appraisal or exterior only inspection for a fee of \$75. If an appraisal is not required, the borrower should provide an affidavit indicating the property is not currently listed for sale. A DU Refi Plus Property Inspection Waiver (PIW) may only be exercised if: <ol style="list-style-type: none"> Final DU finding resulted in a property field work waiver for a fee of \$75 and; The property fieldwork waiver offer is not more than four months old on the date of the note and mortgage. When a DU Refi Plus PIW is exercised, FNMA accepts the property value estimate submitted to DU as the market value for the subject property, and the lender is not required to make any representation or warranty as to value, marketability, or condition of the subject property. A DU Refi Plus property fieldwork waiver may not be exercised, if there is reason to believe that fieldwork is warranted based on additional information obtained about the property or subsequent events such as a hurricane or other natural disaster, or based on additional information provided by DU regarding the subject property for these loans.
MAXIMUM NUMBER OF FINANCED PROPERTIES OWNED	<ul style="list-style-type: none"> Limited to four, including the borrower's principal residence. Applies to all occupancy types
ELIGIBLE STATES	<ul style="list-style-type: none"> CA, HI, IL, NV, WA, CO
FUNDING INTO THE MONTH	<ul style="list-style-type: none"> Allowed until the 5th calendar day of the following month.