



FNMA REFI PLUS

Fixed Rate and Fixed Period ARMs (Full/Alt Documentation) (Standard Amortization)	
Eligible Transactions	Rate and Term (no cash-out) refinance of existing Fannie Mae® owned loan delivered to Fannie Mae prior to JUNE 1, 2009. Existing loan being refinanced may not be subject to credit enhancement or current repurchase obligation
Underwriting Method	Loans must be underwritten through Desktop Underwriter (DU); receive an Approve/Eligible decision. DU Approve/Ineligible decisions may be allowed on loan casefiles with temporary high-cost limit as long as reason for ineligibility is due to the loan amount exceeding current loan limits. Dec 12th 2009 these loan limit will be updated in DU and this message should not be received. DU EA I, II, III and Refer decisions not allowec
Credit Overlays	The following credit overlays apply, regardless of AUS approval: <ul style="list-style-type: none"> • 620 minimum credit score; Mortgage lates in the last 12 mos. period are not allowed • Bankruptcy: 48 mos. since discharge, multiple bankruptcies in the last 84 months are not allowed; Foreclosure: 84 mos. since discharge A payoff demand is req'd to confirm servicer
LTV / CLTV	As determined by DU. Maximum Loan to Value for the program is 105% and 110% CLTV with resubordinated existing subordinate financing.
Transaction types/Loan terms	Rate and Term (no cash-out) refinance of existing FNMA (Fannie Mae) first lien only. Cash back to the borrower is limited to \$250. Loan Terms-10, 15, 20, 25, 30 and 40 yr. fixed rate and 5/1; 7/1 and 10/1 fixed period LIBOR ARMs with 30 or 40 yr. terms. NO LIMIT TO # OF FINANCED PROPERTIES TO THE SAME BORROWER
Subordinate Financing	Resubordination of existing subordinate financing will be allowed. New Subordinate financing and payoff of existing subordinate financing with loan proceeds is NOT ALLOWED. Payoff of existing subordinate liens from the Borrower own funds IS ALLOWED
Occupancy	Owner Occupied, Second homes and Investment properties are allowed.
Impound requirements	Escrow/Impound accounts on DU Refi Plus loans may be waived in following instances: Loans with LTV's >80% where the loan being refinanced had LTV >=80% w/no escrow /impound acct. established OR LTV's >90% where an escrow/impound account was not required (per state law) and loan being refinanced had LTV >90% and account not established. Documentation required to confirm and must be reviewed by Underwriter
Property Types	Attached and Detached SFRs and PUDs, Low-/High-Rise Condos, & 2-4 units. Condo Project reviews are not required. Must confirm that project is NOT an ineligible project; confirm not a condotel. NO pending litigation of any type allowed. All Insurance; Fidelity bond coverage required
Mortgage Insurance	Loans requiring MI are not allowed and must be re-submitted to DU as a "standard LCOR" to avoid the DU Refi Plus eligibility message
Income Documentation	Salary/Bonus/Overtime: One current paystub and a verbal VOE Commission/Self-Employed: One year's federal income tax return A completed, signed 4506-T and Processed is required for all borrowers.
Appraisal	DU to determine appraisal requirement. For certain DU Refi Plus loans, DU will offer Property Inspection Waiver or exterior-only inspection. PBM will not offer Property Inspection Waivers <ul style="list-style-type: none"> • On refinances of properties where last transaction was an REO sale, an interior/exterior inspection is required regardless of DU requirement
Additional FNMA Restrictions	<ul style="list-style-type: none"> • DU Refi Plus loans must provide a benefit to the borrower in the form of a reduced P&I payment or more stable program. • Loans receiving a DU Refi Plus underwriting decision must delivered as such 2-4 unit properties are not allowed on High Balance loans; Properties listed for sale within past 6 mos. from date of 1003 are ineligible. All other standard conventional requirements and AUS overlays (if applicable) apply; manufactured home restrictions apply
Borrower Eligibility	D/U Refi Plus borrower eligibility has been updated to allow Borrowers to be removed from the new loan. At least one of the original Borrowers must continue on the new loan. FNMA will require that the remaining Borrower(s) has been making all of the existing mortgage payment from his/her own funds (no joint account allowed) for the most recent 12 mos. period prior to the origination of the new mortgage. The D/U findings will reflect this requirement when FNMA recognizes the removal of a Borrower from the original loan. If the SS# on the existing FNMA loan associated with the subject does not match those on the 1003, the lender must provide documentation that the Borrowers on the existing FNMA loan are the same Borrower(s) on the new loan. Borrower can be added to new loan as long as existing borrower(s) remains.

Credit and collateral are subject to approval. This is not a commitment to lend. Programs, rates, terms and conditions are subject to change without notice. Terms and conditions apply. This information is intended for Mortgage and Real Estate Professional use only and should not be distributed or show to consumer's or third parties.