

DU Refinance Plus 6216

Key Features

- Maximum LTV ratio up to 125 percent
- Minimum LTV is 105.01%
- No maximum TLTV/HTLTV ratios
- Must be submitted to Desktop Underwriter
- No Minimum FICO score

PRODUCT TYPES	10, 15, 20, 25 and 30 Year Fixed Rate Mortgages											
ELIGIBLE BORROWERS	<p>The following borrower types are eligible</p> <ul style="list-style-type: none"> • An existing borrower(s) may be removed from the new loan provided that at least one of the original borrower(s) is retained on the new loan. • Borrower(s) may be added to the new loan, provided the existing borrower(s) is retained. • New non-occupant co-borrowers are not permitted. 											
ELIGIBLE PROPERTY AND OCCUPANCY TYPES	<p>The following property types are eligible.</p> <ul style="list-style-type: none"> • 1-4 unit primary and investor residences and 1 unit second homes. • Condominiums, PUDs and co-ops underwritten to Agency project guidelines. • Rural properties per Agency guidelines. <p>NOTE: Condo or PUD projects do NOT need to be re-underwritten or re-warranted; standard closing documents are still required. The underwriter must confirm that the property is not a condotel or co-op hotel. An HOA certification is required.</p>											
INELIGIBLE EXISTING MORTGAGES	<p>The following existing FNMA-owned mortgage types are ineligible to be refinanced under this program:</p> <ul style="list-style-type: none"> • Manufactured Homes • Reverse mortgage loans • Second mortgage loans • Government mortgage loans • Existing mortgage loans with certain types of credit enhancement 											
MAXIMUM LOAN AMOUNTS	<ul style="list-style-type: none"> • Conforming Loan Amounts <ul style="list-style-type: none"> • \$417,000 – 1 Family • \$533,850 – 2 Family • \$645,300 – 3 Family • \$801,950 – 4 Family • High Balance Loan Amounts – Eligible under program 6217 <p>County limits may be found at https://entp.hud.gov/idapp/html/hicostlook.cfm, change “Limit Type” to Fannie/Freddie, and look at “Limit Year” CY2008 and CY2009 to determine which is higher.</p>											
MAXIMUM LTV/CLTV	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2" style="background-color: #e0e0e0;">Property Type</th> <th colspan="3" style="background-color: #e0e0e0;">Limited Cash-Out Refinances ^{1, 2, 3}</th> </tr> <tr> <th style="background-color: #e0e0e0;">LTV</th> <th style="background-color: #e0e0e0;">CLTV</th> <th style="background-color: #e0e0e0;">HCLTV</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">All transactions</td> <td style="text-align: center;">125%</td> <td style="text-align: center;">No maximum</td> <td style="text-align: center;">No maximum</td> </tr> </tbody> </table> <ol style="list-style-type: none"> 1. CO – payoff the unpaid principal balance on the existing 1st mortgage, the financing of closing costs, prepaid items and points, and cash back to the borrower cannot exceed \$250. 2. Existing subordinate financing may not be paid off, and new subordinate financing is not permitted. 3. See the Mortgage Insurance section for MI details. 	Property Type	Limited Cash-Out Refinances ^{1, 2, 3}			LTV	CLTV	HCLTV	All transactions	125%	No maximum	No maximum
Property Type	Limited Cash-Out Refinances ^{1, 2, 3}											
	LTV	CLTV	HCLTV									
All transactions	125%	No maximum	No maximum									

<p>NUMBER OF LOANS/ PROPERTIES</p>	<p>Number of Properties per Borrower:</p> <ul style="list-style-type: none"> • For a primary residence, there is no limit on the number of properties owned and/or financed by the borrower • For second homes and investment properties: <ul style="list-style-type: none"> • Unlimited number of properties may be owned but only 4, including the borrowers' primary residence, may be financed <ul style="list-style-type: none"> ○ This Limitation includes joint or total ownership and is cumulative across all borrowers on the loan and must be manually applied on all loans as applicable regardless of DU/LP tolerances ○ A Minimum of two months reserves on the subject property is required on all second homes, regardless of DU/LP Findings ○ If the borrower has interest in or owns multiple financed investment properties (including the subject property), a minimum of six months reserves on the subject property is required, regardless of DU/LP Findings
<p>UNDERWRITING CONSIDERATIONS</p>	<p>All loans must be underwritten according to FNMA standards unless otherwise noted. Desktop Underwriter must be utilized.</p> <ul style="list-style-type: none"> • Appraisal – Follow DU findings. • Credit Requirements: <ul style="list-style-type: none"> ○ A new tri-merged credit report must be pulled. ○ No Minimum FICO ○ 0x30 days late in the past 12 months, any mortgage tradeline. ○ Bankruptcy/Foreclosure – Follow standard conventional guidelines. ○ New fully executed FNMA 1003. ○ Income, as per DU. Below are the minimum standards: <ul style="list-style-type: none"> ▪ Salaried borrowers – most recent paystub indicating the most recent 30 days earnings and YTD earnings. ▪ Self-Employed or commissioned borrowers – most recent tax return covering a full year, all schedules. ○ Any other income must be fully documented. A Verbal Verification of Employment is required for all borrowers who are not self-employed, within 7 days of closing. ○ Assets needed for closing must be verified. Gift funds can be used for closing costs and prepaids. ○ A payoff demand is required to be in each file. • Loan Decisioning and DTI - <ul style="list-style-type: none"> ○ Automated underwriting ONLY, the loan must also comply with all the requirements in these product pages. ○ DU Approve/Eligible only. Expanded Approval responses not permitted. ○ The required response from DU is: <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> ○ Maximum DTI: Not Applicable. • Required Borrower Benefit: The underwriter must represent and warrant that the borrower is receiving a benefit in the form of either: <ul style="list-style-type: none"> ○ A reduced monthly mortgage principal and interest payment; or ○ A more stable mortgage product, for example, moving from an ARM to a fixed-rate mortgage. • Subordinate Financing: <ul style="list-style-type: none"> ○ No new subordinate financing is permitted. ○ Existing second liens must be paid off separately by borrower or re-subordinated. No subordinate financing may be paid off with the proceeds of the new loan. ○ The existing second mortgage cannot be restructured and/or increased as part of this new refinance transaction.

LOAN STATUS VERIFICATION	<p>The loan must be run through Desktop Underwriter, DU will determine if the loan is eligible for the DU Refi Plus program. An accurate address, including unit number if applicable, is critical to determining if the subject property on the loan casefile matches a subject property address for an existing FNMA loan. Incomplete and/or inaccurate property address data may prevent a loan casefile from being approved. If DU is unable to match the borrower(s) social security number and subject property address on the loan with an existing eligible FNMA loan, the loan will be ineligible for the DU Refi Plus program. Underwriters must ensure the "Standardized Address" returned on the DU Findings, matches the subject property address.</p> <p>When inputting the loan into DU, the payoff amount in the Details of Transaction section must match EXACTLY the amount of the mortgage listed in the liabilities section.</p>												
MORTGAGE INSURANCE	<p>Mortgage Insurance:</p> <table border="1" data-bbox="441 562 1206 829"> <thead> <tr> <th data-bbox="441 562 706 655">Original LTV of existing loan</th> <th data-bbox="706 562 971 655">Existing loan has MI in force?</th> <th data-bbox="971 562 1206 655">MI required for new refinance loan?</th> </tr> </thead> <tbody> <tr> <td data-bbox="441 655 706 695">≤ 80%</td> <td data-bbox="706 655 971 695">No</td> <td data-bbox="971 655 1206 695">No</td> </tr> <tr> <td data-bbox="441 695 706 735">> 80%</td> <td data-bbox="706 695 971 735">No</td> <td data-bbox="971 695 1206 735">No</td> </tr> <tr> <td data-bbox="441 735 706 829">> 80%</td> <td data-bbox="706 735 971 829">Yes</td> <td data-bbox="971 735 1206 829">Loan may not be eligible for this program ^{1, 2}</td> </tr> </tbody> </table> <ol style="list-style-type: none"> <li data-bbox="393 835 1526 892">1. If the new LTV is ≤ 80%, mortgage insurance may be canceled, and the loan would then be eligible for this program. <li data-bbox="393 892 1230 926">2. Loans with new MI policies are eligible under program 6259, 6260 or 6261. 	Original LTV of existing loan	Existing loan has MI in force?	MI required for new refinance loan?	≤ 80%	No	No	> 80%	No	No	> 80%	Yes	Loan may not be eligible for this program ^{1, 2}
Original LTV of existing loan	Existing loan has MI in force?	MI required for new refinance loan?											
≤ 80%	No	No											
> 80%	No	No											
> 80%	Yes	Loan may not be eligible for this program ^{1, 2}											
PREPAYMENT PENALTY	There is no prepayment penalty												
TEMPORARY BUYDOWNS	Temporary buydowns are not permitted.												