



Fannie Mae Du Refi Plus

As of November 14, 2011

Eligible Transactions	Rate and Term (no cash-out) refinance of existing Fannie Mae [®] owned loan delivered to Fannie Mae prior to 3/9/2009. 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[®]) and receive an Approve/Eligible decision. <ul style="list-style-type: none"> • DU Expanded Approval and Refer decisions are not allowed.
Credit Overlays	The following credit overlays apply, regardless of AUS approval: <ul style="list-style-type: none"> • Conforming: 105% LTV/CLTV maximum • High Balance: 90% LTV/CLTV maximum (90/90% <= \$625500, 80/80% > \$625500) • Minimum Fico of 680 for conforming loan limits, and minimum fico of 700 for for loan amount > \$417000 • LTV <= 80% LTV max DTI 50% and LTV > 80% max DTI 45% (exception allowed up to 50%) • Min. 12 months mortgage payment history, reflecting 0x30 is required. Multiple mortgages may be used to meet the min. mortgage payment history. • Bankruptcy: 48 months since discharge, multiple Bankruptcies in the last 84 months are not allowed • Foreclosure: 84 months since discharge
Transaction Type	Rate and Term (no cash-out) refinance of existing FNMA (Fannie Mae) first lien only. Cash back to the borrower may not exceed \$250.
Subordinate Financing	Resubordination of existing subordinate financing will allowed with maximum 105% limits. New subordinate financing and payoff of existing subordinate financing with loan proceeds is not allowed. Payoff of existing subordinate liens from the borrower's own funds is allowed.
Occupancy	<ul style="list-style-type: none"> • Owner Occupied, Second homes and Investment properties are allowed. (Second and Investment are limited to 80%LTV/CLTV) • The new refinance transaction is not required to represent the same occupancy as the existing loan.
Eligible Terms	10, 15, 20, 25 and 30 year Fixed Rate and 5/1, 7/1 and 10/1 Fixed Period LIBOR ARMs with 30 year terms
Property Types	Attached and Detached SFRs and PUDs, Low-/High-Rise Condos, and 2-4 units
Condo, and PUD	Project reviews are not required, but confirmation that the property is not a condo-hotel/motel or co-op-hotel/motel is required.
Mortgage Insurance	Loans requiring mortgage insurance 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 An IRS Form 4506-T must be signed, completed, and dated at application and at closing by all borrowers. In addition, IRS transcripts for the time period covered by the required income documentation must be obtained prior to loan closing for all borrowers.
Appraisal	DU to determine appraisal requirement. For certain DU Refi Plus loans, DU will offer exterior-only inspection. <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 • A borrower may be removed from the new loan subject to additional requirements.
Additional Restrictions	<ul style="list-style-type: none"> • Temporary Interest Rate Buydowns are not allowed • All other standard conventional requirements and AUS overlays including maximum number of financed properties and seasoning on recently listed properties will also apply to DU Refi Plus loans. Properties listed within the past 6 months are ineligible.