

DU Refi Plus Loan Program

The **DU Refi Plus** program is a Rate-and-Term Refinance Program for borrowers with existing Fannie Mae loans*. The program provides underwriting flexibility, expanded eligibility criteria, and reduced documentation requirements as compared to standard FNMA refinance transactions.

*To see if property has existing Fannie Mae loan, go to: <http://www.fanniemae.com/loanlookup>

Summary

Automated Underwriting	Desktop Underwriter <u>required</u> with “Approved/Eligible” with Special Feature Code “147” (DU must identify the program as a DU Refi Plus case file).
Product Types	30-year Fixed 15-year Fixed
Max Loan Amounts	Conforming and High Balance Loan Amounts ¹
Max Debt Ratio	55% ²

¹ State/County limits may vary and can be found at <https://entp.hud.gov/idapp/html/hicostlook.cfm>

² DU Approved/Eligible exceeding 55% debt ratio considered on case-by-case basis

With Property Fieldwork Waiver

Occupancy	Minimum FICO	Units	Max LTV	Max CLTV
Primary Residence	620	1-4	Unlimited	Unlimited
Second Home or Investment	680	1-4	105%	110%

³ LTV/CLTV is unlimited with NDM approved servicer.

Without Property Fieldwork Waiver

Occupancy	Minimum FICO	Units	Max LTV	Max CLTV
Primary Residence	620	1-4	105%	110%
Second Home or Investment	680	1-4	105%	110%

General Requirements

Borrowers	<p>All borrowers on the existing loan must remain on the new loan. Exceptions will be made to remove a borrower under the following circumstances:</p> <ul style="list-style-type: none"> • Borrower is deceased (evidence of death must be provided) • Borrowers are divorced (evidence must be provided) • Removed borrowers must also be removed from the deed • Remaining borrower(s) can demonstrate that they have been making payments from their own funds for the prior 12 months <p>New borrowers can be added the loan whether they occupy the property or not.</p> <p>Ineligible:</p> <ul style="list-style-type: none"> • Borrowers who are related to or employed by the submitting broker, regardless of job function. • Trusts, corporations, LLC’s, and other non-individual entities
Existing Loan	<p>Existing 1st lien loan was purchased or guaranteed by Fannie Mae prior to June 1, 2009 and cannot have:</p> <ul style="list-style-type: none"> • Outstanding FNMA repurchase request;

	<ul style="list-style-type: none"> • Temporary interest rate buydowns; or • A previous refinance under HARP unless it is a Fannie Mae loan refinanced under HARP between March 2009 and May 2009. <p>Maximum \$250 cash back to borrower (no exceptions). New loan must provide at least one of the following benefits to borrower(s):</p> <ul style="list-style-type: none"> • Reduces monthly mortgage principal and interest payment • More stable loan product (e.g. Refinance ARM with Fixed loan)
Impounds	Required if LTV exceeds 80% unless state law supercedes
Income Documents	As required by DU with the following minimum requirements: <ul style="list-style-type: none"> • Salaried borrowers – Latest paystub with most recent 30 days and YTD earnings, prior year W2 and Verbal VOE. • Commission/Self-Employed – Most recent tax return covering full year with all schedules • Commission/Self-Employed – Verification of existence of business by 3rd party & verify phone listing from acceptable source (Required within 30 days of closing) • Signed 4506-T for all borrowers at submission is required.
Max Financed Properties	With Property Fieldwork Waiver (PFW), the following is allowable: <ul style="list-style-type: none"> • Primary Residence: Unlimited financed properties per Fannie Mae guides • Second Home or Investment: Borrowers limited to four financed properties including the Primary Residence and any jointly obligated properties.
Mortgage Insurance	If MI is required by DU, the loan is not eligible.
Reserves	As determined by DU
Subordinate Financing	Existing subordinate financing must be subordinated to new 1 st lien or paid off with borrowers own funds and cannot be paid through loan proceeds. New Subordinate Financing is not allowed.

Credit Requirements

Bankruptcy	None allowed last 4 years (or as determined by DU if more restrictive requirement applies). No multiple bankruptcy filings allowed in last 7 years and subject to individual evaluation regardless of the credit score.
Collection Chargeoffs Judgments	Follow DU findings.
Foreclosure / Deed in Lieu / Short Sale	None allowed in last 7 years or as determined by DU (most restrictive guideline applies).
Mortgage Rating	No late payments in past 12 months – Minimum 12-month payment history.

Property Requirements

Appraisal	Follow DU findings to determine if Appraisal is required or it can be waived. Refinances of properties where the most recent transaction was an REO sale are not eligible for a Property Fieldwork Waiver (PFW). For Investment properties, appraisal amounts less than \$100,000, the appraisal cannot be waived and a 2 nd appraisal is required. The Property Fieldwork Waiver (PFW) is not allowed on any property located in an area that has recently experienced natural disaster or is in a FEMA declared disaster area.
Property and Occupancy	<p>Eligible:</p> <ul style="list-style-type: none"> • 1-4 unit Primary and Investment residences³ • 1-unit Second Homes⁴ • PUDs and Condominiums⁵ • Fee Simple and Leasehold properties • Rural -- Maximum 10 acres (40 acres in Montana) <p>³ Owner-occupied 2-4 Units and Investment properties require 6 months rent loss insurance if rental income is used to qualify ⁴ Ineligible if borrower already owns Second Home or investment in the same Geographic location as subject property ⁵ Must ensure that property is not a condotel or hotel conversion.</p>

Not Eligible:

- Condominiums in Florida and Nevada
- Condotels
- Co-ops
- Existing Investment property cannot be refinanced as a Primary Residence
- Manufactured Housing
- Mixed-use properties
- Properties in Texas

Note: If not explicitly mentioned above, standard FNMA guidelines apply.