

Finance Type	No Cash-Out Refinance					
Property Type	Primary Residence		Second Home		Investment	
LTV/CLTV/FICO	Max LTV/CLTV	Min FICO	Max LTV/CLTV	Min FICO	Max LTV/CLTV	Min FICO
SFR/PUD/Condo	Fixed: No Max	Per DU	Fixed: No Max	Per DU	Fixed: No Max	Per DU
	ARM: 105% LTV/ No Max CLTV		ARM: 105% LTV/ No Max CLTV		ARM: 105% LTV/ No Max CLTV	
2 – 4 Units	Fixed: No Max	Per DU	N/A	N/A	Fixed: No Max	Per DU
	ARM: 105% LTV/ No Max CLTV				ARM: 105% LTV/ No Max CLTV	
Eligible Terms	<ul style="list-style-type: none"> • Conventional Fixed Rate: 10,15, 20, 25 and 30-year, • High Balance Fixed Rate: 15, 20, 25 and 30 year- • Conforming ARM: 5/1 ARM, 7/1 ARM, and 10/1 ARM • High Balance ARM: 5/1 ARM, 7/1 ARM, and 10/1 ARM • ARM's subject to maximum 105% LTV 					
Eligible Property Types/Occupancy	<ul style="list-style-type: none"> • 1-4 unit, detached and attached condos and PUDs • Primary Residence, Second Home and Investment Property allowed • Co-ops not allowed 					
AUS	<ul style="list-style-type: none"> • DU Approve/Eligible • DU cert must be run on all loans and must render SFC 147 					
Ineligible Mortgages/DU Recommendations	<ul style="list-style-type: none"> • DU Refer or Ineligible recommendations through DU • Existing loans that are government loans, second mortgages, reverse mortgages or mortgages subject to outstanding repurchase request from FNMA • Mortgages secured by manufactured homes or co-ops • HomeStyle renovation and MyCommunityMortgage loans • Cash Out transactions • Mortgage loans with temporary interest rate buy downs • Properties on more than 10 acres are typically ineligible but will be considered as exception • Hawaiian Home Land Transactions • Properties located in Hawaii Lava Zones 1 & 2 					
Borrower Eligibility & Benefit	<ul style="list-style-type: none"> • A borrower can be removed provided at least one existing borrower(s) is retained on the new loan • Borrower(s) may be added to the new loan, provided the existing borrower(s) is retained • Must show benefit of: 1) reduced P&I payment, 2) reduction in interest rate, 3) a more stable mortgage product or 4) reduction in amortization term 					

	<ul style="list-style-type: none"> Borrowers who are currently on a modification are eligible for the DU Refi Plus program. The terms of the modified mortgage must be used when determining the benefit
Mortgage Proceeds	<ul style="list-style-type: none"> Points, prepaids and closing costs may be rolled into the new loan Points and fees including origination, underwriting fees, broker fees, processing fees, etc. regardless of the party paying the fee may not exceed 5% of the mortgage amount Discount points and prepaids are not included in the 5% limitation Existing purchase money second mortgages may not be satisfied with loan proceeds Maximum cash out \$250 (zero cash out allowed in Texas)
ARM Qualifying Rate/CAPS	<ul style="list-style-type: none"> 5/1 ARMs: Higher of note rate + 2% or fully indexed rate 7/1 ARMs & 10/1 ARMs: Higher of note rate or fully indexed rate CAPS: 5/2/5 for all loan plans
Higher Priced Mortgage Loans (HPML)	<ul style="list-style-type: none"> Allowed but requires minimum FICO of 620 and maximum DTI of 45% for loans with application dates on or after 1/10/14 These requirements must be followed even if DU approves at a lower FICO/higher DTI These requirements apply to all occupancy types
Texas 50(a)(6)	<ul style="list-style-type: none"> Not allowed
Credit	<ul style="list-style-type: none"> No minimum FICO / per DU unless HPML loan with application date on or after 1/10/14 Mortgages must be current and OX60 last 12 months Borrowers who are currently on a modification are eligible for the DU Refi Plus program. The terms of the modified mortgage must be used when determining the benefit Not required to comply with the waiting period and re-establishment of credit requirements for significant derogatory events (bankruptcy, foreclosure, etc.) provided DU issues an acceptable recommendation
Income/Assets	<ul style="list-style-type: none"> No max DTI / per DU unless HPML loan with application date on or after 1/10/14 Income Documentation required per FNMA's DU Refi Plus Documentation Matrix or per DU Note: Unemployment income is an acceptable source of income whether it is seasonable or non-seasonable Verbal verification of employment required within 10 days of closing A fully executed IRS form 4506T is required for each borrower on the loan. Refer to Tax Transcripts-4506-T Policy for when transcripts are required Assets and Reserves must be verified to the extent of DU findings report Large deposits do not have to be explained or sourced Proof of liquidation of assets is not required even if those assets are used by the borrower to pay closing costs

Mortgage Insurance	<ul style="list-style-type: none"> • None required if LTV ≤ 80% • None required if existing loan does not have MI regardless of LTV • Refer to DU Cert for MI requirements. If MI is required, must obtain level of coverage in force on existing loan • MI coverage must extend for the life of the new loan, or until cancellation or termination of coverage as required by law or FNMA guidelines, whether the MI company modifies the existing MI cert or issues a new one • Continuation of existing LPMI on the new loan is permitted provided it is single premium LPMI (transfers of annual and monthly LPMI not permitted) • Approved MI companies are Arch, Genworth, MGIC, NMI and Radian: Max DTI 45% for FICO < 700 apply and vary by MI Company. Refer to the individual MI company guidelines
Appraisal	<ul style="list-style-type: none"> • Must follow appraisal requirements per DU • Value discrepancies between Broker DU findings and Broker 1003 can be cured using a 2055 or appraisal to establish value • Properties damaged as a result of a disaster are not required to be repaired prior to delivery as long as the loan meets FNMA's property insurance requirements. Thus, an additional inspection and/or new appraisal is not required
Condos	<ul style="list-style-type: none"> • A project eligibility review is not required • Properties in condo motels, condo hotels, timeshares, houseboats or segmented ownership projects are not eligible • Verification of Hazard, Flood and Liability insurance is required
Max Financed Properties	<ul style="list-style-type: none"> • No limitation on the number of financed properties a borrower may own
Property Listed for Sale	<ul style="list-style-type: none"> • Okay if subject property is currently listed for sale
Subordinate Financing	<ul style="list-style-type: none"> • Existing subordinate liens must be re-subordinated and must meet FNMA's requirements for secondary financing • Existing subordinate financing may not be satisfied with the proceeds of the new DU Refi Plus mortgage loan • New subordinate financing is not allowed

Eligible Terms & Plan Numbers						
Conforming			High Balance			
Fixed Rate	Plan Code	Description / Term	Plan Code	Description / Term		
		125	10-Year Fixed: LTV To 105%			
		121	15-Year Fixed: LTV To 105%	140	15-Year Fixed: LTV To 105%	
		161	15-Year Fixed: LTV 105% - 125%	164	15-Year Fixed: LTV 105% - 125%	
		162	15-Year Fixed: LTV Over 125%	165	15-Year Fixed: LTV Over 125%	
		122	20-Year Fixed: LTV To 105%	139	20-Year Fixed: LTV To 105%	
		155	20-Year Fixed: LTV 105% - 125%	158	20-Year Fixed: LTV 105% - 125%	

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	156	20-Year Fixed: LTV Over 125%	159	20-Year Fixed: LTV Over 125%
	137	25-Year Fixed: LTV To 105%	138	25-Year Fixed: LTV To 105%
	149	25-Year Fixed: LTV 105% - 125%	152	25-Year Fixed: LTV 105% - 125%
	150	25-Year Fixed: LTV Over 125%	153	25-Year Fixed: LTV Over 125%
	123	30-Year Fixed: LTV To 105%	141	30-Year Fixed: LTV To 105%
	128	30-Year Fixed: LTV To 115%	146	30-Year Fixed: LTV To 115%
	126	30-Year Fixed: LTV To 125%	142	30-Year Fixed: LTV To 125%
	127	30-Year Fixed: LTV Over 125%	143	30-Year Fixed: LTV Over 125%

Conforming						High Balance				
ARM	Plan Code	Product	Caps	Index	Margin	Plan Code	Product	Caps	Index	Margin
	324	5/1	5/2/5	1 Yr.-LIBOR	2.25	330	5/1	5/2/5	1 Yr.-LIBOR	2.25
	325	7/1	5/2/5	1 Yr.-LIBOR	2.25	331	7/1	5/2/5	1 Yr.-LIBOR	2.25
	326	10/1	5/2/5	1 Yr.-LIBOR	2.25	332	10/1	5/2/5	1 Yr.-LIBOR	2.25

Revised: 08/21/2018