

FANNIE MAE RefiNow™

PROGRAM SPECIFICATIONS	
Description	RefiNow™ is an affordable refinancing option aimed at making it easier and less expensive for qualifying homeowners to reduce their monthly housing costs. Available to borrowers at or below 100% of the area median income with debt-to-income (DTI) ratios up to 65%, RefiNow offers features that help to address some of the barriers to refinance and is a great option for creditworthy borrowers who may not have previously qualified.
Fannie Mae Loan Lookup	https://yourhome.fanniemae.com/calculators-tools/loan-lookup
Area Median Income Lookup Tool	https://ami-lookup-tool.fanniemae.com/amilookuptool/
Channels	• Broker • Correspondent ○ Non-Delegated UW ○ Delegated UW
FICO	• 620 minimum qualifying credit score for all qualifying borrowers. ○ The borrower(s) must obtain at least two credit scores. When two credit scores are obtained, choose the lower score. When three credit scores are obtained, choose the middle score. ○ When there are multiple borrowers select the lowest applicable score from the group.
UW Method	• Desktop Underwriter (DU)
AUS Recommendation	• Approve/Eligible
Eligible Terms	• 10, 15, 20, 25, 30 Year Fixed Rate
Maximum DTI	• 65%
Eligible Transactions Types	• Limited Cash Out Refinance Note: Current loan being refinanced must be a conventional mortgage loan owned or securitized by Fannie Mae.
Eligible Property Types	Primary residences only: • 1 Unit (attached or detached) • Modular • Condos/PUDs • Single or Multi wide Manufactured Housing Note: Project review requirements will be waived for properties located in a Condo or PUD project. Must be determined the project is not a condo hotel or motel, houseboat, timeshare, or segmented ownership project. Must also confirm appropriate property and flood insurance is obtained.
Maximum LTV/CLTV/HCLTV	• 97%
Existing Loan Eligibility	Existing loan must meet all the following: • Only an existing Fannie Mae mortgage may be refinanced to a new Fannie Mae mortgage • Seasoned at least 12 months. (from the original Note date to the New note date) • Not be subject to recourse, repurchase agreement, indemnification, outstanding repurchase demand, or credit enhancement (unless the new loan is also subject to the credit enhancement or it is no longer required) • Not be an existing High LTV refinance loan, DU Refi Plus® loan, or Refi Plus® loan
Payment History Requirements	Loan being refinanced, the borrower cannot have had: • Any 30-day mortgage delinquencies in the most recent six-month period, and • No more than one 30-day delinquency in months 7-12
Borrower Eligibility	• The borrower(s) income must be less than or equal to 100% of the applicable AMI limit for the subject property's location. ○ All borrowers who will sign the note, must be considered in whether the loan meets income eligibility • Borrower(s) on the loan being refinanced must be identical to the Borrower(s) on the new loan. New borrowers cannot be added or removed. One or more borrowers may only be removed if: ○ remaining borrower(s) meet the payment history requirements and provides evidence that they have made at least the last 12 months of payments from their own funds, or ○ Due to the death of a borrower (evidence of the deceased borrower's death must be documented in the loan file). • Non-occupant borrowers are permitted with a maximum LTV, CLTV, and HCLTV ratio of 95%. CLTV ratio may be up to 105% when a community Second is being resubordinated

Borrower Benefit	The refinanced loan must provide the following benefits to the borrower: • A reduction in interest rate by at least .50%, and • A reduction in the monthly payment that includes principle, interest, and the mortgage insurance payment (if applicable).
Subordinate Financing	• New subordinate financing is only permitted if it replaces existing subordinate financing. • Existing subordinate financing: ○ may not be satisfied with the proceeds of the new loan, and ○ can remain in place if it is resubordinated to the new loan.
Mortgage Proceeds	New loan amount is limited to: • Cash back to the borrower up to \$250. Excess proceeds may be applied as a curtailment on the new loan Note: If combined with a TX (a)(4), cash back or principle curtailments are not permitted. The mortgage amount must be reduced.
Property Valuation	• DU appraisal waiver (MH not eligible) • New appraisal ○ A \$500 credit if an appraisal is required
Mortgage Insurance	• Determined by DU • Standard mortgage insurance • MI coverage is not restricted to the current mortgage insurer on the existing loan, when there is an MI in place on the existing loan, DU will issue a message indicating the mortgage insurer that is currently providing MI coverage.
MI Companies	• Arch • National • MGIC • Genworth • Radian
Ineligible Features	New loan may not include any of the following features: • Adjustable rate mortgage (ARM) • Subject to a temporary interest rate buydown • HomeReady loan • HFA Preferred or HFA Preferred Risk Sharing loan • HomeStyle Renovation loan • HomeStyle Energy loan • Construction-to-permanent transaction • High-balance mortgage loan • May not be a Texas Section 50(a)(6) • Amount of cash taken out of the subject property exceeds the limit of \$250 • Mortgage being paid off with the transaction on the loan application cannot be matched to a credit report account to determine if the payment history requirements have been met
Geographic Restrictions	• Hawaii ○ AFR does not operate in the state of Hawaii and does not permit loans with a subject property in Hawaii for all programs in all channels with the exception of Correspondent Delegated UW transactions. • AFR requires the use of AFR's Texas counsel on all Texas transactions with the exception of Correspondent Delegated loans. AFR utilizes this 3rd party for document preparation and require 48 hours for both title review and to generate a closing package.
Guidelines	https://www.fanniemae.com/singlefamily/originating-underwriting
Forms	See FORMS Section of the Resource Center
OVERLAYS	
Follow all overlays outlined in the Fannie Mae Fully Amortizing Fixed and High Balance Program Matrix <u>and</u>: • Following are not permitted: ○ Escrow Credits ○ Manual Underwrite	