Transaction Type[1]	Number of Units	Maximum LTV/CLTV/HCLTV	Credit Score
Limited Cash Out Refinance	1 Unit	97%	620
[1]Row Homes in Baltimore City: External-only BPO secondary valuation required within 10% tolerance			

PRODUCT OFFERINGS	
Fixed Rate Products	• 10, 15, 20, 25, 30 year fixed • Nonstandard terms available

The following guidelines describe the eligibility, underwriting, and other requirements for the RefiNow option. All standard Selling Guide requirements apply unless otherwise indicated below.

Borrower Benefit	The refinanced loan must provide the following benefits to the borrower: • a reduction in interest rate of at least 50 basis points, and • a reduction in the monthly payment that includes principal, interest, and the mortgage insurance payment (if applicable)
Borrower Income Limit	The borrower(s) income must be less than or equal to 100% of the applicable AMI limit for the subject property's location. • In determining whether a loan is eligible under the borrower income limits, the lender must consider the income from all borrowers who will sign the note, to the extent that the income is considered in evaluating creditworthiness for the new loan • The lender must use the same methodology in determining income eligibility for a RefiNow loan as they use in reporting "Monthly Income" in Loan Delivery. • https://ami-lookup-tool.fanniemae.com/amilookuptool/
Eligible 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. ○ May be simultaneously refinanced with the existing first lien mortgage, provided that: ▪ The unpaid principal balance (UPB) of the new subordinate lien is not more than the UPB of the subordinate lien being refinanced at time of payoff, and ▪ There is no increase in the monthly principal and interest payment on the subordinate lien.

Existing Loan Eligibility	✓	**The existing loan must…**
		be a conventional mortgage loan owned or securitized by Fannie Mae.
		be seasoned at least 12 months (from the original Note date to the new loan 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.
New Loan Eligibility	✓	**The new RefiNow loan must…**
		be a fixed-rate loan.
		have maximum LTV/CLTV/HCLTV ratios as permitted in the Eligibility Matrix
		be a limited cash-out refinance with: • cash out less than or equal to $250 (excess proceeds may be applied as a curtailment on the new loan.)
		have a loan limit that conforms to the general loan limits (high balance loans are not permitted).
		have identical borrowers on the new loan as the existing loan. New borrowers cannot be added or removed. One or more borrowers may only be removed if: • the remaining borrower(s) meet the payment history requirements and provide 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 borrower's death must be documented in the loan file). **NOTE:** Non-occupant borrowers are permitted (see below).
		not be a Texas Section 50(a)(6) loan.
		not be subject to a temporary interest rate buydown.
	NOTE: A RefiNow loan may not be combined with a HomeReady refinance transaction.	
Occupancy And Property Types	• The new loan must be secured by a one-unit principal residence. • All eligible property types are permitted. • All project review requirements will be waived for properties located in a Condo or PUD project except	

	that the lender must confirm the project is not a condo hotel or motel houseboat, timeshare or segmented ownership project. The lender must confirm appropriate property and flood insurance is obtained.

Topic	Underwriting and Documentation Requirements for the New Loan
Documentation Requirements	**INCOME DOCUMENTATION REQUIREMENTS** **Income Type** — **Minimum Documentation Requirements** Base Pay (non-variable) — The borrower's most recent paystub dated no earlier than 30 days prior to the loan application date Base Pay (variable), Bonus, Commission, Overtime, Tip — The borrower's most recent paystub and W2 covering the most recent one-year period Military Income — Military Leave and Earnings Statement Self-employment — One year personal and business tax returns, unless the terms to waive business tax returns are met in accordance with the Selling Guide Alimony, Child Support, or Separate Maintenance — Copy of divorce decree, separation agreement, court order (or equivalent documentation), and one month documentation of receipt All Other Eligible Income Types — Standard Selling Guide requirements apply The following additional documentation requirements apply: • Verbal verification of employment (or self-employment) is required in accordance with the Selling Guide • Verification of funds to close are required. Acceptable asset documentation includes one recent statement (monthly, quarterly, or annual) showing asset balance. • Verification and consideration of recurring alimony and child support payments as a liability, if applicable, are required. Acceptable documentation includes a copy of the divorce decree, separation agreement, court order, or equivalent documentation confirming the amount of the obligation.
Loan Amount	The maximum loan amount is $726,200 The minimum loan amount is $75,000
Maximum DTI Ratio	The DTI ratio must be less than or equal to 65%.
Minimum Credit Score And Significant Derogatory Credit	• The loan must have a minimum representative credit score of 620 • The borrower must comply with all applicable waiting periods following derogatory credit events in B3-5.3-07, Significant Derogatory Credit Events – Waiting Periods and Re-establishing Credit. (Exception: The LTV ratio limitation that applies to a previous foreclosure is not applicable – standard LTV ratios are permitted.)

Topic	Underwriting and Documentation Requirements for the New Loan
Non-Occupant Borrowers	• Non-occupant borrowers are permitted. • A maximum LTV, CLTV, and HCLTV ratio of 95% applies to loans underwritten with DU (CLTV ratio may be up to 105% when a Community Seconds® is being resubordinated)
Payment History Requirements	For the 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 through 12.
Underwriting Method	Loans must be underwritten with DU. DU will automate the identification of loan casefiles that appear to be eligible for RefiNow based on the borrowers listed on the loan application, the property address, qualifying income, and several other factors. Refer to the Release Notes for additional information.
Topic	**Collateral Requirements**
Property Valuation	• Standard property valuation requirements for an appraisal waiver or appraisal apply. ○ External-only BPO secondary valuation for row homes in Baltimore, City, MD is not required with a PIW • A $500 credit will be provided to the borrower at closing if an appraisal was obtained for the transaction. **NOTE:** The appraisal credit will be applied based on the delivery of Special Feature Code (SFC) 868 and data in the Loan Delivery file that indicates an appraisal was obtained for the transaction
Topic	**Other**
FNMA Look Up Tool	• https://www.knowyouroptions.com/loanlookup
Mortgage Insurance	• All Mortgage Insurance must be ordered through National MI • Split and Reduced Premium are not permitted
Special Feature Code	• All loans must be delivered with SFC 868 • If PIW is exercised, 801 SFC applies
Usage	The RefiNow option may only be used one time.

Topic	Standard Conforming
Assets	• Internet Statements, obtained from financial institution's website, must contain the same information found on a standard bank statement • VOD as stand-alone document not permitted unless obtained from a Third-Party Vendor

Electronic Signatures/eSigning	• eSigning is allowed for most documents
	• eSigning is not allowed for:
	  ○ Note
	  ○ Note Rider(s)
	  ○ Notice of Right to Cancel
	  ○ Security Instrument and Security Instrument Rider(s)

Employment Verification	• Direct electronic verification of employment by third-party vendors is not permitted.
Ineligible Properties	• Co-Ops • Indian Leased Land • Property Flip of Non-Arm's Length Transaction • Resale type Deed Restrictions • Single-wide Manufactured Homes • Solar Panels that affect first lien position
Manufactured Housing	• Singlewide MFD not allowed • Must meet all FNMA guidelines • No deed restrictions • No leased land • Max LTV 95%
Power Of Attorney (POA)	A POA may not be eSigned and must be specific to the transaction.
Social Security Number (SSN)	All borrowers must have a valid SSN.
Tax Transcripts	Required when tax returns are used to qualify borrower income.

Underwriting Method	Manual Underwriting not allowed – all loans must receive DU Approve-Eligible findings.
Unpaid Federal Tax Debt	• Delinquent tax debt that has not become a lien and does not impact title (open liens reflected on credit report will impact title and must be paid off) may remain open provided the following are met: o Repayment agreement to be provided o Evidence of at least one payment made under the plan(s) and payments are current • Delinquent tax debt that has become a lien or does not meet the above requirements is ineligible NOTE: Record of Account can be used in lieu of canceled check or proof of electronic payment