

DU Refi Plus Guidelines

Revision: **June 25, 2018** (Product Information Center, 949-390-2684, www.jmac lending.com)

The loan must have closed and committed / delivered to a FNMA Pool no later than May 31, 2009 based on note date in order to qualify for a DU Refi Plus loan. This enhancement to the HARP product is extended until December 31, 2018.

DU Refi Plus						
(Conforming and High Balance)						
Rate/Term Refinances						
Occupancy	Owner Occupied		Second Home		Investment Property	
Amortization	Full Amortization		Full Amortization		Full Amortization	
LTV, CLTV, FICO	Max LTV/CLTV/HCLTV	Min FICO	Max LTV/CLTV	Min FICO	Max LTV/CLTV	Min FICO
1-4 Unit	Unlimited	620	Unlimited	620	Unlimited	620

To identify which loans are owned by FNMA: www.fanniemae.com/loanlookup/ (Note: If you get a match, this does not guarantee approval on the DU Refi Plus product.)

Resource Center: resource_center@fanniemae.com (48 Hours Turn Time) or Call 800-732-6643 from 8AM – 8PM (EST)

FAQ's: <https://www.fanniemae.com/sf/mha/mharefi/pdf/refinancefaqs.pdf>

DU Refi Plus Guidelines

	General Guidelines																	
ATR and QM	All loans must meet the Ability to Repay (ATR) and Qualified mortgage (QM) provisions of the Dodd-Frank Act.																	
High Cost and High Priced	Not Eligible																	
HPML	<p>Eligible:</p> <ul style="list-style-type: none">-Minimum 620 score-Full Appraisal required regardless of AUS findings-Reserves:<ul style="list-style-type: none">• If residual income is between \$800-\$2500 month, the following reserves are required<ul style="list-style-type: none">○ 3 months PITIA for primary○ 6 months PITIA for second home <p>Ineligible:</p> <ul style="list-style-type: none">-ARMS with fixed interest rates < 7 years-Purchases where the seller purchased home less than 180 days- Seller acquisition Date to Contract date-Residual income less than \$800 monthly <p>LTV/CLTV > 100%</p> <p>NOTE: Non Owner Transactions are exempt from HPML guidelines</p>																	
Products	Fixed Rate (15 and 30-Year)																	
Borrower Qualification	<u>Fixed Rate</u> : Borrower is qualified at the Note rate.																	
Qualifying Ratios	Maximum qualifying ratio: Subject to DU Approval.																	
Underwriting Method	Loans must receive a DU "Approve/Eligible".																	
Prepayment Penalty	None																	
Maximum Loan Amount	<p>Minimum Loan Amount is \$75,000.00</p> <table><tr><th rowspan="2">Units</th><th>Continental Us</th><th>Hawaii</th></tr><tr><th colspan="2">Conforming Maximum Loan Amount 2017</th></tr><tr><td>One</td><td>\$453,100</td><td>\$679,650</td></tr><tr><td>Two</td><td>\$580,150</td><td>\$870,225</td></tr><tr><td>Three</td><td>\$701,250</td><td>\$1,051,875</td></tr><tr><td>Four</td><td>\$871,450</td><td>\$1,307,175</td></tr></table>	Units	Continental Us	Hawaii	Conforming Maximum Loan Amount 2017		One	\$453,100	\$679,650	Two	\$580,150	\$870,225	Three	\$701,250	\$1,051,875	Four	\$871,450	\$1,307,175
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	<p>** New loan amount is the sum of: Pay off of 1st lien + 30 days of interest + Closing Costs (including pre-paid). This is check prior to funding the loan **</p> <p>** Please check the high balance limits allowed based on state and county **</p>
Occupancy	Primary Residence , second home, and investment properties
Citizenship Requirement	U.S. Citizens, Permanent and Non-Permanent Resident Aliens are allowed with a valid Social Security number.
Acceptable Visa Types	<ul style="list-style-type: none"> ○ A-1 thru A-3 Visas- Note: Borrowers with these Visa types who have diplomatic immunity are not acceptable ○ E-1 thru E-3 Visas ○ G-1 thru G-5 Visas- Note: Borrowers with these Visa types who have diplomatic immunity are not acceptable ○ H-1, H-1B and H-1C Visa's ○ H-4 Visa- These visas are given to dependents (spouse and unmarried children under 21 years of age) of a qualified H-1 visa holder. When income is being used to qualify, a current (unexpired) EAD issued by USCIS is also required. ○ L-1 Visa ○ L-2 Visa- These visas are given to dependents (spouse and unmarried children under 21 years of age) of a qualified L-1 visa holder. When income is being used to qualify, a current (unexpired) EAD issued by USCIS is also required. ○ O-1A Visa- Note: Borrowers with this Visa type cannot work in the Arts, Motion Picture or Television industry ○ O-1B Visa- Note: This Visa type is for those excluded from eligibility on a O-1A visa as listed above ○ O-2 Individuals who will accompany an O-1, artist or athlete, to assist in a specific event or performance ○ TN, NAFTA Visa -Used by Canadian or Mexican citizens for professional or business purposes ○ TC, NAFTA Visa- Used by Canadian citizens for professional or business purposes <ul style="list-style-type: none"> • Note: An unexpired Employment Authorization Document(EAD) may be used in lieu of a Visa <ul style="list-style-type: none"> ○ If EAD will expire within one year, the following must be provided <ul style="list-style-type: none"> ▪ One previous EAD Renewal or if there are no prior EAD renewals, the likelihood of renewal must be determined based on the information provided by USCIS • If Visa from the eligible list above is expired, the borrower may still be considered if the below can be met. <ul style="list-style-type: none"> ○ Confirmation that the borrower has submitted an application for extension of the visa or an application for a green card. Documentation includes, but is not limited to: <ul style="list-style-type: none"> ▪ USCIS Form I-797- issued when application or petition is approved ▪ USCIC Form I-797C or I-797E- Cannot state application has been declined ▪ USCIS Form I-539 or equivalent or copy of USCIS Form I-485 or equivalent plus electronic verification of receipt from the USCIS website ▪ If sponsored by employer, the employer may verify that they are sponsoring the visa renewal
Property type	1 to 4 units, Condos, PUDS

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Eligible Borrower	<p>DU (Approved/Eligible) required</p> <p>These refinance options are intended to assist borrowers by providing a benefit that seeks to ensure long-term homeownership sustainability. The lender must represent and warrant that the borrower is receiving a benefit in the form of either:</p> <ul style="list-style-type: none"> • Lower Payment use to qualify on Negative Amortization products • A reduced monthly mortgage principal and interest payment; • A reduced interest rate; • A reduced amortization term; or • A more stable mortgage product; for example, movement from an ARM to a fixed-rate mortgage (lenders are encouraged to provide fixed-rate mortgages to borrowers whenever possible). <p>Subordinate Liens</p> <ul style="list-style-type: none"> • Existing subordinate liens may NOT be paid from proceeds. Lien must be re-subordinated. • No new subordinate liens. <p>A borrower can be removed if one remaining borrower from original loan remains on subject transaction:</p>
Income and Asset	Subject to AUS
Reserve	Not required
Assets	<p>Allowable Assets for down payment and closing:</p> <ul style="list-style-type: none"> • Checking • Saving • 401K, Stock, Bonds and Mutual Funds- 100% of vested balance minus any outstanding loans, may be used. • Business Funds - must own the company 100% • Life Insurance – 100% of cash value
Credit	<ul style="list-style-type: none"> • Minimum credit score(s): Minimum required per LTV/CLTV grid • DU Approve/Eligible General Credit Guidelines • <u>Mortgage lates</u> (1x30 in the past 12 months) <ul style="list-style-type: none"> ○ 0x30 in past 6 months ○ 1x30 in months 7-12 • All derogatory credits subject to AUS.
Cash Back	The max cash back is \$250.00.

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Mortgage Insurance	No current mortgage insurance allowed.
Appraisal Requirement	PIW is acceptable subject to AUS and agency guidelines.
Condo	<ul style="list-style-type: none"> Standard condo requirement (hazard, liability, fidelity, and Walls in coverage)
Documentation	Copy of the Note is required at submission.
Prepayment Penalty	Prepayment Penalty cannot be included into the loan.
Student Loan	<p>Student Loan- Monthly Payment calculations:</p> <ul style="list-style-type: none"> If a payment amount is provided on the credit report, that amount can be used for qualifying purposes. If the credit report does not reflect a payment (or reflects \$0), we can now use 1% of the outstanding balance of the student loan, or a calculated payment that will fully amortize the loan/payment, based on the documented loan repayment terms.