

Home Affordable Refinance: Refi Plus Options

In support of the Making Home Affordable Program, Fannie Mae offers two options for Fannie Mae to Fannie Mae refinances: Refi Plus™ for manual underwriting, same-servicer (or affiliate or subsidiary), streamlined refinances and DU Refi Plus for Desktop Underwriter® (DU®) refinances.

Highlights

- Existing Fannie Mae loan, limited cash-out refinance only
- Borrower benefit required: reduced monthly P&I payment or more stable mortgage product (such as moving from ARM to FRM; a shorter amortization period also meets this requirement)
- Up to 125 percent LTV (DU* or manual underwriting; over 105% limited to fully amortizing fixed-rate mortgages with terms greater than 15 years up to 30 years; high-LTV loan-level price adjustment is reduced for terms greater than 15 years up to 25 years as an incentive for borrowers to build positive equity faster than with a 30-year term) * in DU 9/19/09
- MI coverage flexibilities:

Original Loan LTV Ratio	Existing MI Coverage	MI Coverage for New Loan
80% or less	None	Not required
Over 80%	None (previously canceled or terminated per <i>Selling and Servicing Guide</i> requirements)	Not required
	Yes	The level of coverage in force on the existing loan or standard coverage in accordance with the <i>Selling Guide</i> *

* Lenders are encouraged to use their best efforts to obtain MI coverage that provides the lowest-cost option available to the borrower.

- No seasoning required
- 1- to 4-unit primary residences, second homes, and 1- to 4-unit investment properties
- Eligible existing loans for DU Refi Plus include subprime, Alt-A, and EA recommendations; for Refi Plus (manual underwriting), must be fully documented or previous Streamlined Refinance
- No minimum credit score (but representative credit score required at delivery for pricing purposes)
- No new subordinate financing; existing seconds must be resubordinated
- Flexibilities on property valuation

Resources

Visit the Home Affordable Refinance page at www.efanniemae.com/sf/mha/mharefi/ on eFannieMae.com for resources and additional information.