

DU Refi Plus

This is a fixed rate product for loans from \$50,000 to the conforming limit. DU Approve/Eligible findings reflecting DU Refi Plus are required for all transactions. Loans that require Mortgage Insurance are not eligible for delivery to Reunion Mortgage. All loans must conform to Fannie Mae Agency guidelines. If an issue is not addressed in these guidelines refer to Reunion Mortgage Underwriting Guidelines.

The DU Refi Plus option is intended for borrowers who are not having difficulty making their monthly payments, are current on their payments at the time of refinance, and have not been delinquent by more than 30 days during the past 12 months (during the life of the loan if it has existed for less than 12 months).

To be eligible for DU Refi Plus, the existing loan must have been delivered to Fannie Mae before March 1, 2009. Once an existing loan delivered before this date has been refinanced, the new loan will not be eligible for further DU Refi Plus consideration because that loan will have been delivered after the March 1, 2009 cutoff date.

Program Codes

- C15DURP 15-year Fixed Rate
- C30DURP 30-year Fixed Rate
- CJ15DURP 15-year Fixed Rate High Balance Mortgage
- CJ30DURP 30-year Fixed Rate High Balance Mortgage

DU Refi Plus

Owner-Occupied Primary Residence					
Purpose	Units	LTV	CLTV	HCLTV	FICO
R/T ¹	1-4	95	95	95	620
Second Home					
Purpose	Units	LTV	CLTV	HCLTV	FICO
R/T	1	95	95	95	620
Investment Property					
Purpose	Units	LTV	CLTV	HCLTV	FICO
R/T	1-4	95	95	95	620

¹ Texas Section 50(a)(6) transactions are not eligible

Agency Fixed Requirements:

- DU Approve/Eligible reflecting DU Refi Plus approved required
- LP Decisions: Not eligible
- Loans requiring Mortgage Insurance are not eligible
- Maximum loan amounts: C15DURP, C30DURP

	General	Hawaii
1-Unit	\$417,000	\$625,500
2-Unit	\$533,850	\$800,775
3-Unit	\$645,300	\$967,950
4-Unit	\$801,950	\$1,000,000
- Maximum loan amounts: CJ15DURP, CJ30DURP

	General	Hawaii
1-Unit	\$729,750	\$938,250
2-Unit	\$934,200	\$1,000,000
3-Unit	\$1,000,000	\$1,000,000
4-Unit	\$1,000,000	n/a
- Cash back to the borrower is permitted up to a maximum of \$250 to allow for changes in closing costs.

Appraisal/Property

- Full interior/exterior appraisal is required unless the DU Findings indicate that a FIW (Property Fieldwork Waiver) is allowed
- All properties in Texas require interior/exterior appraisal regardless of DU recommendation.
- Property Fieldwork Waiver (FIW) may be eligible on one unit properties.
 - A lender may only exercise the DU Refi Plus property fieldwork waiver (FIW) if:
 - The **final** submission of the loan casefile to DU resulted in a property fieldwork waiver offer;
 - The property fieldwork waiver offer is not more than 120 days old on the date of the note and the mortgage.
 - DU Refi Plus property fieldwork waiver (FIW) is not allowed
 - If the lender has reason to believe that an appraisal is warranted based on additional information obtained about the property or subsequent events such as a hurricane or other natural disaster – FEMA website must be reviewed for Disasters. If Disaster has been declared for the subject property’s county since the closing of the mortgage being refinanced, a full interior/exterior appraisal is required
 - If the last transaction was an REO sale, a full interior/exterior appraisal is required
 - A \$75 FIW Fee is applied if waiver option is exercised. It is the borrower’s choice on whether to exercise this option.
 - DU Refi Plus FIW Certification must be completed and signed by borrower(s)
- Project Approval: Lenders will not be required to perform a project review for condominium, cooperative, or PUD projects, but the lender must confirm that the property is not in a condominium or cooperative hotel or motel.
- Properties that have been listed for sale are eligible with the following restrictions:
 - Property has been taken off the market on or before the application date.
 - Borrower confirms the intent to occupy if a primary residence

AUS Underwriting Decisions

- DU Decisions: Approve/Eligible
 - DU Findings must indicate loan is approved as DU Refi Plus
- DU findings reflect the following message “This loan casefile was underwritten according to the DU Refi Plus expanded eligibility guidelines offered on certain limited cash-out refinance loan casefiles where the borrower’s existing loan is identified by DU as a Fannie Mae loan. This loan casefile must be delivered with Special Feature Code 147.”
- LP Decisions: Not eligible
- All conditions outlined in the findings report must be satisfied
- Loans that require Mortgage Insurance are not eligible

Credit

- Minimum 620 FICO
- Minimum 12 months mortgage payment history, reflecting 0x30 is required. Multiple mortgages may be used to meet the minimum mortgage payment history.
- Bankruptcy: 48 months since discharge, multiple Bankruptcies in the last 84 months are not allowed
- Foreclosure: 84 months since discharge

Disclosure/Program Information

Type	Assumable	Prepay	I/O Period
Fully Amortized	No	No	n/a

Program Description

- **C15DURP:** 15 Year Fixed Rate
- **C30DURP:** 30 Year Fixed Rate
- **CJ15DURP:** High-Balance 30 Year Fixed Rate
- **CJ30DURP:** High-Balance 30 Year Fixed Rate

Eligible Borrowers

- A borrower may be removed from a new loan subject to the following requirements:
 - The remaining borrower must provide evidence that he or she has been making payments on the existing mortgage from his or her own funds for the most recent 12-months prior to the origination of the new mortgage (the 12-month payment history must be on the existing mortgage), and
 - The borrower(s) removed from the loan must also be removed from the deed. If a borrower is removed as the result of a death, the 12-month payment history and removal of the borrower from the deed is not required, although the remaining borrower must provide evidence of the previous borrower's death.
- A borrower may be added, provided the original borrower remains.
- Non-Permanent Resident Alien
 - Must be a legal resident of the U.S. as evidenced by social security number
 - Must be employed in the U.S.
 - Tax Identification Number (TIN) is not acceptable
- Co-borrower does not have to occupy the property subject to compliance with standard agency non-occupant co-borrower guidelines as follows:
 - Occupant borrower must qualify for loan
 - Non-occupant borrower must be on separate application

Income

- Income must be document per DU findings, however the following minimum documentation is required
 - Salary/Bonus/Overtime: One current paystub and a verbal VOE
 - Commission/Self-Employed: One year's federal income tax return
- An IRS Form 4506-T must be signed, completed, and dated at application and at closing by all borrowers. In addition, IRS transcripts for the time period covered by the required income documentation must be obtained prior to loan closing for all borrowers.

Maximum Financed Properties

- **All Occupancy Types: No limit on the number of financed properties**

Mortgage Insurance

- Loans that require Mortgage Insurance are not eligible

Net Tangible Benefit

- Principal and interest payment for the new loan must be lower than the existing loan, unless the loan is being refinanced into a more stable product documented by a copy of the existing Note.
 - Refinancing an ARM product to a Fixed Rate

DU REFI PLUS

PROGRAM CODES: C15DURP, C30DURP, CJ15DURP, CJ30DURP

- Refinancing an Interest only product to a fully amortizing product
- Refinancing a 30-year term to a 15-year term, whereby amortization is accelerated and equity is built up faster
- Refinancing from a shorter term to a longer term (i.e., 30-year fixed to a 40-year fixed) would only be considered a benefit if there is also a payment reduction.

Subordinate Financing

- Subordination of existing junior liens permitted
- Subordinate liens may not be paid via DU Refi Plus proceeds transaction even with borrower's own funds
- New subordinate liens may not be added to subject transaction

Ineligible

- Texas Section 50(a)(6)
- Loans that require Mortgage Insurance are not eligible

Data Entry – Reunion Internal Guidelines

- Special Feature Codes **must be entered in comments on the 1008**
 - 147 all DU Refi Plus loans
 - 807 when FIW is used
- Project ID: Type V Condo
- The Net Tangible Benefit must be noted in the comments on the 1008
- FIW Requirements
 - **Final** DU findings indicate FIW allowed
 - Check Disaster Policy Matrix for any disasters
 - Check DataQuick history for prior transaction to verify not REO sale
 - DU Refi Plus FIW Certification completed and signed Borrower(s)