

Announcement 2021:13

SUBJECT: FNMA RefiNow™ Product

DATE: June 24, 2021

REM N Wholesale is pleased to announce we have added FNMA's RefiNow™ to our product roster.

Product Highlights

- The existing loan must be owned by Fannie Mae – and can be identified by using the [Fannie Mae Loan Lookup Tool](#)
- The borrowers on the current loan must be the same on the new loan
 - No new borrowers can be added
 - One or more borrower(s) may be deleted if the following applies:
 - The remaining borrower(s) have a payment history of 0x30 in prior 6 months and no more than 1x30 in months 7-2), and
 - The remaining borrower(s) provide evidence that they have made the mortgage payments from their own funds from the prior 12 months, OR
 - The borrower being removed is deceased and documentation is provided
- The borrower's qualifying income (income from all borrowers who will sign the Note) must be $\leq 80\%$ of the Fannie Mae 2021 AMI limit for the area where the property is located.
- The refinanced loan must provide the following borrower benefits:
 - A reduction in the interest rate of at least 50 basis points, AND
 - A reduction in the borrower's monthly payment, that includes the principal, interest, and mortgage insurance payment (if applicable), by a minimum of \$50
- Fannie Mae will provide a \$500 credit if an appraisal is required

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Product Eligibility

- Primary residence only
- 1-unit only
- Conforming loan amounts only
- Rate/term refinance only
- Max LTV 97% (95% for Manufactured Homes and loans with Non-Occupying Co-Borrowers)
- Max DTI 65%
- Minimum FICO 620
- Max cash back to borrower \$250
- Max \$5000 in closing costs can be included in new loan
- Payment history on the existing loan requires 0x30 for the most recent 6 months and no more than 1x30 in months 7-12. If the borrower was in a COVID-19 related forbearance plan and the missed payments have been resolved, they are not considered in the above as a delinquency
- Funds to close must be verified
- Income documentation requirements

Income Type	Minimum Documentation Requirements
Base Pay (non-variable)	The borrower's year-to-date paystub dated no earlier than 30 days prior to the loan application date.
Base Pay (variable) Tip, Bonus, Overtime, Commission	The borrowers' most recent paystub and W2 covering the most recent one-year period.
Military Income	Military Leave and Earning 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 requirements apply

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Desktop Underwriter

- Desktop Underwriter identifies RefiNow™ eligibility per the below:
 - If the file is a 1-unit primary residence limited cash-out, AND
 - If the income in the casefile is at or below 80% of the AMI, THEN
 - DU will determine if Fannie Mae owns the loan, using the subject property address provided on the loan application
- If DU determines FNMA owns the loan and the SSNs are a match, DU will underwrite the loan as a RefiNow™
 - If none of the SSNs match, DU will issue a message to validate the property address
 - If SSN discrepancies are found, DU will issue specific messaging for requirements

Full product guidelines can be found at www.remnwholesale.com

If you have any questions, please contact your Account Executive.