



DU REFI PLUS MATRIX

Streamline Refinance option to qualified borrowers who currently have a Fannie Mae® loan. This option is only available to Fannie Mae® customers who have demonstrated their ability to repay their mortgage and have verified their information as part of their original loan. As a result, these borrowers may qualify to refinance with minimal documentation requirements.

Fixed Rate and Fixed Period ARMs

Eligible Transactions	Note date must be dated on or before December 31, 2013 and must be in deliverable condition on or before April 30, 2014. To be eligible, the loan must be a rate term refinance of a FNMA file that was originally delivered to them prior to June 1, 2009.	
Underwriting Method	Loans must be underwritten through Desktop Underwriter® (DU/DO) and receive an Approve/Eligible decision. DU/DO Approve/Eligible only. Approve/Ineligible permitted only if the ineligible recommendation is due to the loan amount; Refer decisions are not allowed.	
Credit Overlays	<p>The following credit overlays apply, regardless of AUS approval:</p> <ul style="list-style-type: none"> ✓ Minimum 12 month mortgage history with 0x30 reported ✓ 4 year Bankruptcy seasoning from the discharged date 	<ul style="list-style-type: none"> ✓ 7 year Foreclosure seasoning ✓ Payoff statement required to be documented in the loan file ✓ Minimum requirements are the MORE restrictive of the above OR as required by DU/DO.
Transaction Type	Limited cash out (rate term) refinance of existing FNMA (Fannie Mae) first lien only. Cash back to borrower is limited to \$250.00 (therefore payoff, taxes and insurance must be reviewed by underwriter prior to issuing a clear to close).	
Subordinate Financing	<ul style="list-style-type: none"> ✓ Subordinate liens may not be paid via DU Refi Plus transaction ✓ New subordinate financing may not be added to subject transaction ✓ Subordination of mortgages with negative amortization. 	<ul style="list-style-type: none"> ✓ Subordinate financing with prepayment penalties. ✓ Subordinate financing that does not fully amortize under a level monthly payment plan where the maturity or balloon payment date is less than five (5) years.
Eligible Terms	15, 20, 25, 30 and 40 year Fixed Rate; 5/1 and 7/1 LIBOR ARMs with 30-year terms. Interest Only: Not Permitted.	
Property Types	Attached and Detached SFRs and PUDs, Low-/High-Rise Condos and 2-4 units.	
Condos	Refer to loan parameter matrix for complete details.	
Mortgage Insurance	<p>The existing loan being refinance:</p> <ul style="list-style-type: none"> ✓ Was <= 80% LTV, MI not required on the subject refinance and the loan is eligible. ✓ Was > 80% LTV and the MI was previously cancelled or terminated in accordance with FNMA guidelines, MI is not required on the subject refinance and the loan is eligible. ✓ Was > 80% LTV and the MI is still applied to the current loan, but the new loan LTV is <= 80%, MI is not required on the subject refinance and the loan is eligible. 	<p>The new loan being created in the refinance:</p> <ul style="list-style-type: none"> ✓ DU/DO recommendation MUST specifically state NO MI is required ✓ Loans requiring or issued with MI are not permitted
Income Documentation	Salary/Bonus/Overtime: Greater of current paystub AND W2 or as recommended by DU/DO. Commission/Self-Employed: Minimum of 2 years, but 1 year may be acceptable if recommended by DU/DO. A completed and signed 4506-T is required for all borrowers.	
Appraisal	<p>In addition to utilizing ClearPoint Funding's standard appraisal AND validation policy, the following appraisal requirements apply to DU Refi Plus scenarios:</p> <p>Reduced forms of appraisal requirements as recommended by DU/DO are permitted; however, the home may NOT have been on the market within the most recent 6 months.</p> <ul style="list-style-type: none"> • Appraisal Waivers, such as PIW, are permitted; however, limited to 1-unit. • Non-owner occupied transactions utilizing the PIW, must capture the rental income and bedroom count, regardless of the DU/DO. • PIW must be dated within 120 days of the Note date. • If PIW is exercised, a signed affidavit is required disclosing the length of time the borrower has owned the property and confirmation the subject property is not currently listed for sale. • Refinances of properties where the most recent transaction was a REO sale are not eligible for a PIW. • At the Underwriter's discretion, a full appraisal may be required if there is reason to believe it warranted due to additional information obtained about the property or subsequent events such as natural disasters, etc. <p>DU Refi Plus appraisal recommendations supersede those established for High Balance loans.</p> <p>TEXAS: All Investment properties require interior/exterior appraisal regardless of DU recommendation.</p>	
Net Tangible Benefit	<ul style="list-style-type: none"> ✓ Transaction must represent a net tangible benefit to the borrower and be documented by the Underwriter on the 1008; NOTE: Payment increases are only permitted if the loan is refinancing into a more stable product (i.e. ARM to Fixed, IO to fully amortizing, shorter term, etc.) and the increase may not exceed 20%. 	



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Fixed Rate and Fixed Period ARMs

Loan Parameters – Agency DU Refi Plus

Agency FRM 15 - 40 Year DU Refi Plus; 5/1 & 7/1 ARM with 30-year amortization.										
# of Units	Primary Residence Maximum			Second Home Maximum			Investment Property Maximum			Minimum Credit Score
	LTV	CLTV ¹	HCLTV ¹	LTV	CLTV ¹	HCLTV ¹	LTV	CLTV ¹	HCLTV ¹	
IMPORTANT: Includes FRM, ARM and High Balance loan scenarios.										
Limited Cash Out Refinance Transactions										
1	105.00	105.00	105.00	105.00	105.00	105.00	105.00	105.00	105.00	660/680 ⁴
2 – 4	105.00	105.00	105.00	NA	NA	NA	105.00	105.00	105.00	660/680 ⁴
Condo ²	95.00 ²	95.00 ²	95.00 ²	95.00 ²	95.00 ²	95.00 ²	95.00 ³	95.00 ³	95.00 ³	660/680 ⁴
Cash-Out Refinance Transactions										
ALL	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
NOTES:										
✓ All States: Type F PUDs are not permitted.										
¹ Subordinate Financing:										
<ul style="list-style-type: none"> • Subordinate liens may not be paid via DU Refi Plus transaction • New subordinate financing may not be added to subject transaction • Subordination of mortgages with negative amortization. • Subordinate financing with prepayment penalties. • Subordinate financing that does not fully amortize under a level monthly payment plan where the maturity or balloon payment date is less than five (5) years. 										
² Condo Properties: Primary and Second Homes require a Limited Project Condo Review required regardless of DU recommendations; refer to the Conventional Lending Guide for complete details of documentation. Florida projects permitted for Primary Residence only up to 70% LTV/CLTV.										
³ Condo Properties: Investment properties require a Full Lender Delegated Review regardless of DU recommendations; refer to the Conventional Lending Guide for complete details of documentation. Florida projects are not permitted for Second Home or Investment Properties.										
⁴ Minimum 680 credit score is required for Second Homes and Investment Properties.										