



FNMA

R E F I N O W TM

PROGRAM GUIDELINES AND MATRICES

FANNIE MAE REFINOW LTV/CLTV MATRIX

Minimum credit score is 620

Occupancy	Minimum FICO	Purpose	Conforming	Units	Max LTV/CLTV	Max DTI
Primary Residence	620	Rate/Term Refinance	Conforming loan limits per county	1	97 ¹ %	65%

¹ CLTV ratio may be up to 105% when a Community Seconds® is being resubordinated

Guidelines

If not addressed below, Orion Lending follows Fannie Mae without overlay

Borrower Benefit	<p>The refinanced loan must provide the following benefits to the borrower:</p> <ul style="list-style-type: none"> a reduction in interest rate of at least 50 basis points, and a reduction of any amount in the monthly payment that includes principal, interest, and the mortgage insurance payment (if applicable)
Borrower Income Limit	<p>The borrower(s) income must be less than or equal to 100% of the applicable AMI limit for the subject property's location.</p> <ul style="list-style-type: none"> In determining whether a loan is eligible under the borrower income limits, the lender must consider the income from all borrowers who will sign the note, to the extent that the income is considered in evaluating creditworthiness for the new loan. Fannie Mae Income look up tool

Documentation Requirements	<table><tr><th>Income Type</th><th>Requirements</th></tr><tr><td>Salaried Only</td><td>Most recent YTD paystub dated no earlier than 30 days prior to loan application</td></tr><tr><td>Variable pay to include Hourly Waged, Tips, Overtime and Commission income</td><td>Most recent YTD paystub and W-2 covering the most recent one-year period</td></tr><tr><td>Military</td><td>Most recent Leave and Earnings Statement dated no earlier than 30 days prior to loan application</td></tr><tr><td>Self-employed</td><td>One year personal and business returns unless terms to waive business returns are met according to DU/FNMA</td></tr><tr><td>Alimony, Child Support or Separate Maintenance</td><td><ul style="list-style-type: none">• Copy of the divorce decree, separate agreement, court order or equivalent documentation, and• one month documentation of receipt</td></tr><tr><td>All other eligible income types</td><td>Per Fannie Mae selling guide requirements</td></tr></table>		Income Type	Requirements	Salaried Only	Most recent YTD paystub dated no earlier than 30 days prior to loan application	Variable pay to include Hourly Waged, Tips, Overtime and Commission income	Most recent YTD paystub and W-2 covering the most recent one-year period	Military	Most recent Leave and Earnings Statement dated no earlier than 30 days prior to loan application	Self-employed	One year personal and business returns unless terms to waive business returns are met according to DU/FNMA	Alimony, Child Support or Separate Maintenance	<ul style="list-style-type: none">• Copy of the divorce decree, separate agreement, court order or equivalent documentation, and• one month documentation of receipt	All other eligible income types	Per Fannie Mae selling guide requirements
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<ul style="list-style-type: none">• Verification of funds to close are required. Acceptable asset documentation includes one recent statement (monthly, quarterly, or annual) showing asset balance.																
Existing Loan Eligibility	<ul style="list-style-type: none">• The loan being refinanced must be a conventional mortgage loan owned or securitized by Fannie Mae and must be seasoned at least 12 months.• Loan cannot not be an existing high LTV refinance loan, DU Refi Plus® loan, or Refi Plus® loan.• The RefiNow option may only be used one time• Late payments for the loan being refinanced limited to:<ul style="list-style-type: none">○ 0 x 30 in the most recent 6-month period○ 1 x 30 in months 7 through 12															
	Click to view Fannie Property Lookup															

Income, Assets and Property Related to Illegal Activities	If the income or asset source is not acceptable under all laws, such as income generated through marijuana sales, then the loan is ineligible for Orion Lending; this includes both self-employed borrowers and wage earners working for a company. Likewise, all use of the subject property must be in compliance with all laws. Properties that have mixed-use that do not meet all local, state or federal laws are ineligible for Orion Lending.
Minimum Loan Amount	\$50,000
Mortgage Insurance	All standard mortgage insurance requirements apply in accordance with the Selling Guide. Mortgage insurance coverage for RefiNow loans is not restricted to the current mortgage insurer on the existing loan. However, DU will identify the insurer that is currently providing coverage. Consult your mortgage insurer to determine their eligibility guidelines for RefiNow loans.
New Loan Eligibility	<p>The RefiNow loan must meet the requirements below:</p> <ul style="list-style-type: none"> • Fixed Rate • Meet the maximum LTV, CLT, and HCLTV ratios as permitted in the Fannie Mae Eligibility matrix. • be a limited cash-out refinance with <ul style="list-style-type: none"> ◦ cash out less than or equal to \$250. Excess proceeds may be applied as a curtailment on the new loan • have a loan limit that conforms to the general loan limits (high-balance loans are not permitted). • have identical borrowers on the new loan as the existing loan. New borrowers cannot be added or removed. One or more borrowers may only be removed if: <ul style="list-style-type: none"> ◦ the remaining borrower(s) meet the payment history requirements and provides evidence that they have made at least the last 12 months of payments from their own funds, or ◦ due to the death of a borrower (evidence of the deceased borrower's death must be documented in the loan file). • not be a Texas Section 50(a)(6) loan. • not be subject to a temporary interest rate buydown. <p>Note: Non-occupant borrowers are permitted (see below).</p>

Non-Occupant Borrowers	<ul style="list-style-type: none"> Non-occupant borrowers are permitted. A maximum LTV, CLTV, and HCLTV ratio of 95% (CLTV ratio may be up to 105% when a Community Seconds® is being resubordinated).
Occupancy and Property Types	<ul style="list-style-type: none"> The new loan must be secured by a one-unit principal residence. All eligible property types are permitted (except co-ops share loans) All project review requirements will be waived for properties located in a condo or PUD project except that the lender must confirm the project is not a condo or co-op hotel or motel, houseboat, timeshare or segmented ownership project. The lender must confirm appropriate property and flood insurance is obtained.
Payment History Requirements	<ul style="list-style-type: none"> For the loan being refinanced, the borrower cannot have had <ul style="list-style-type: none"> any 30-day mortgage delinquencies in the most recent six-month period, and no more than one 30-day delinquency in months 7 through 12. <p>If the borrower has missed payments due to a COVID-19 forbearance, and those payments have been resolved in accordance with the temporary eligibility requirements for purchase and refinance transactions in LL-2021-03, then the missed payments are not considered delinquencies for purposes of meeting these payment history requirements. This will apply for as long as the temporary policies remain in effect</p>
Property Valuation/ Inspection Waivers	<ul style="list-style-type: none"> Standard property valuation requirements for an appraisal waiver or appraisal apply. A \$500 credit will be provided at closing if an appraisal is obtained, and a PIW does not exist on the DU
Subordinate Financing	<p>Existing subordinate financing</p> <ul style="list-style-type: none"> may not be satisfied with the proceeds of the new loan, can remain in place if it is resubordinated to the new loan, and may be simultaneously refinanced with the existing first lien mortgage, provided that: <ul style="list-style-type: none"> the unpaid principal balance (UPB) of the new subordinate lien is not more than the UPB of the subordinate lien being refinanced at the time of payoff, and there is no increase in the monthly principal and interest payment on the subordinate lien. New subordinate financing is only permitted if it replaces existing subordinate financing.

Financed Closing Costs	<ul style="list-style-type: none"> Financed closing costs, prepaid items and points may not exceed \$5,000, and Cash out must be less than or equal to \$250 <ul style="list-style-type: none"> Excess proceeds may be applied as a curtailment on the new loan. 				
Underwriting	All loans must be approved by DU. No Manual underwrites.				
Program Codes	CF30 RefiNow	CF25 RefiNow	CF20 RefiNow	CF15 RefiNow	CF10 RefiNow
	CF30 RefiNow MF	CF25 RefiNow MF	CF20 RefiNow MF	CF15 RefiNow MF	CF10 RefiNow MF