

Why DU Refi Plus™

Fannie Mae® DU Refi Plus™

Helping borrowers efficiently refinance Fannie Mae loans



OAKTREE FUNDING

CORP.

CORPORATE OFFICE

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Why DU Refi Plus™

- Provides a competitively-priced, 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.
 - Fannie Mae customers can take advantage of today's lower interest rates, while receiving additional underwriting flexibilities including expanded eligibility criteria, as well as minimal documentation requirements
 - Up to 105% LTV and no maximum CLTV for qualified borrowers*
 - Loans may be eligible for a waiver of appraisal or an exterior-only property inspection
 - LTV greater than 80% allowed without mortgage insurance*

Opportunity

- An attractive option for borrowers who:
 - Express an interest in refinancing
 - Have an existing Fannie Mae loan
 - Would like to refinance more quickly than with other refinance options
 - Will benefit from a lower monthly payment
 - Need to refinance up to 105% LTV*
 - Will benefit from mortgage insurance flexibilities*

How it Works

- Automates eligibility assessment for rate/term refinances to determine:
 - Fannie Mae's ownership of the loan
 - Loan casefile eligibility for underwriting flexibilities
- Leverages the DU credit risk assessment to expand eligibility
- Provides property inspection waivers for certain eligible loans
- Reduces employment and income documentation to the minimum level offered by DU
- Expected impact and timing
 - Point-of-Sale operational efficiencies through use of DU
 - Eligibility flexibilities that allow more borrowers to take advantage of today's low interest rates

General Program Guidelines

- DU will identify if a borrower's existing loan is a Fannie Mae loan and will allow underwriting flexibilities, expanded eligibility criteria and reduced documentation requirements for rate/term refinances
- Borrower(s) on the existing mortgage must be identical to the borrower(s) on the new mortgage; borrower(s) may be added to the new loan as long as the existing borrower(s) remain intact
- DU "Approve/Eligible" required

General Program Guidelines

- The following components are eligible in the loan amount calculation:
 - The payoff of the unpaid principal balance of the existing first mortgage (no subordinate financing may be paid off with the proceeds of the new mortgage)
 - The financing of the payment of closing costs, prepaid items and points
 - Cash back to the borrower may not exceed \$250 on DU Refi Plus transactions (starting July 1, 2009)
- The following loans are not eligible for DU Refi Plus:
 - Loan casefiles where the existing first mortgage was delivered on or after March 1, 2009
 - Loans with new subordinate financing
 - Loans subject to temporary interest-rate buydowns
 - Interest-only loans
 - 3/1 Fixed Period ARMs
 - Balloon mortgages
 - Rural Housing Loans
 - MyCommunityMortgage®
 - HomeStyle® Renovation
 - Loans subject to any outstanding repurchase request from Fannie Mae

General Program Guidelines

- DU will only condition for the following income documentation:
 - Salary/bonus/overtime: one current paystub and a verbal VOE
 - Commission/self-employed: one year's federal income tax return
- For certain DU Refi Plus loans, DU will waive the requirement for an appraisal or exterior-only inspection
- Maximum 105% LTV allowed for all occupancy and property types
- No maximum CLTV or HCLTV for existing subordinate financing
- No minimum credit score requirements for all casefiles
- Lenders will not be required to perform a review of condo, coop or PUD projects, but will be required to confirm the property is not a condo hotel or motel nor coop hotel or motel.
 - Project Type Codes of V (condo), 2 (coop), or E (PUD), must be provided at delivery for DU Refi Plus loans secured by a condo, coop or PUD when a project review is not performed

- For loans not serviced by Bank of America
 - Minimum 620 credit score required regardless of DU certificate
 - 0 x 30 mortgage payment history required for the past 12 months
 - Bankruptcies must be seasoned for 48 months and foreclosures for 84 months
 - Loans with multiple bankruptcies in last seven years are ineligible
 - A payoff demand is required in the file to document the current servicer
- Florida condominiums are not eligible for “Type V” condo warranty. Condo projects in Florida must be warranted using Lender Full Review for Established, Limited Review, CPM-Expedited or FHA condo approval and are subject to:
 - Maximum 75% LTV/CLTV for owner-occupied primary residences
 - Maximum 70% LTV/CLTV for second homes
 - Investment properties are ineligible
- All standard guidelines and existing credit overlays to DU including restrictions of manufactured housing, number of financed properties, and subject property listing seasoning will also apply to DU Refi Plus loans

- To look up if a loan is currently owned by Fannie Mae, use the [Fannie Mae Loan Lookup website](#)
- [Fannie Mae FAQs for Borrowers](#)
- [Making Home Affordable website](#)
- [Fannie Mae announcement](#)
- Fannie Mae Release Notes
 - [September 22 Release Notes](#)
 - [July 21 Release Notes](#)
 - [June 27 Release Notes](#)
 - [April 4 DU Release Notes](#)
 - [May 2 DU Release Notes](#)



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