



## HARP 2.0 DU Refi Plus Product Offering

### Product Availability

New DU Refi Plus pricing and programs with expanded criteria up and above the existing criteria will be available February 1st, 2013.

Loans must be processed and closed in accordance with all posted Fannie Mae guidelines. Available on 10, 15, 20, 25 and 30 year amortized, fixed rate loans which are utilized for limited cash-out and no cash-out refinance purposes. Maximum cash back to borrower is \$250.

### Automated Underwriting System

A borrower may only utilize the HARP program one time per property. Utilization of the DO/DU automated underwriting system from FNMA is necessary to verify eligibility for this program.

All loans must receive a Approve/Eligible recommendation from DU/DO and the findings must recognize the loan as eligible as a DU Refi Plus product. No manually underwritten loans will be accepted where findings are normally required.

### Property Value

Initially when running DU/DO you must use the property's estimated value. However once the AUS results are generated, DU/DO will provide Fannie Mae's estimated value of record.

At this time if the estimated value and Fannie Mae's value are different you must resubmit the information through DU/DO utilizing Fannie Mae's estimated value. This value will be the value which will determine the loan's LTV/CLTV.

### Consumer Credit

Regardless of DU/DO findings, no mortgage delinquencies may have occurred on any properties (regardless of lien position) in the last 12 months.

## Product Matrix

<b>LTV/CLTV (%)</b>	<b>Credit Score (Minimum)</b>	<b>DTI (Maximum)</b>	<b>Property Types</b>	<b>Occupancy</b>	<b>LLPA Caps (Maximum)</b>
>95/105 to <b>UNLIMITED</b>	700	45%	SFR, PUD	Owner Occupied Only	4%
95%/105% (Maximum)	660	Per DU/DO *45% if waiving impounds	SFR, PUD, Condo	Owner Occupied or Second Homes	3%
80%/105% (Maximum)	620	45%	SFR, PUD, Condo	Owner Occupied or Second Homes	2%

## Pricing Matrix

Loan level price adjustments (LLPA's) will be capped according to the grid above. This will occur manually by our lock desk after the lock has been submitted. Make note that this may affect your initial lock which is processed in EAGLE. In some cases this will result in a more favorable net price since EAGLE will account for all LLPA's.

Our rate sheet will be expanded to capture the additional LTV and CLTV bands starting 2/1/2013. FNMA's grid for "HIGH LTV's" will also be added, along with changes to the CLTV grid which addresses CLTV's above the previous limit.

All FNMA adjustments are cumulative and added up to the posted caps in the grid above.

## Mortgage Insurance

In the event Mortgage Insurance (MI) is required on the transaction, as identified by DU/DO then the current mortgage insurance premium will be used for qualification purposes. UFF will transfer the borrower's existing policy if their policy exists with one of the eligible MI providers on Appendix A (attached). If the MI provider is not listed than the loan will not be eligible for delivery to UFF.

## Borrower Eligibility

The borrowers on the existing Note (or current borrowers if the existing mortgage was assumed) must be the same as the borrowers on the new Note. An existing borrower may be removed from the transaction provided

- The remaining borrower(s) demonstrate that they have been making the payments from their own funds for the most recent 12 months prior to the application of the new mortgage.

This 12-month payment history must be on the existing mortgage, and may not be satisfied using multiple consecutive first mortgages.

- The borrower being removed is also removed from the deed (or provides evidence of death, as applicable). If the borrower is being removed due to death, the 12-month payment history is not required; however, the remaining borrower must provide evidence of the deceased borrower's death; and
- Additional flexibilities through DU Refi Plus for borrowers being removed due to death (no 12-month payment history required).
- A borrower may be added to the new loan, provided an original borrower remains.

### **Permanent Resident Alien**

If the borrowers on the new loan are the same as the borrowers on the existing loan, no verification of residency status required

### **Non-Permanent Resident Alien**

If the borrowers on the new loan are the same as the borrowers on the existing loan, no verification of residency status required

### **Foreign Nationals**

Not permitted

### **Pay Off vs Pay Down**

Accounts may not be "paid down" to 10 months or less to allow the borrower to qualify. Installment or Mortgage accounts must be paid in full. Payoff of revolving accounts in order to qualify the borrower is generally not allowed.

### **Secondary Financing**

Down Payment Assistance programs (DPA) are ineligible.

Subordinate liens may not be paid off or paid down.

New Subordinate liens may not be added.

### **Reserves**

Determined by DU findings.

**The guidelines contained herein are general product guidelines, and in no way intended to imply an approval of any particular borrower or transaction. All loans are subject to final approval of United Fidelity Funding Corp. For additional information or clarification of guidelines, policies and procedures, contact your Account Executive. Guidelines are subject to change without notice. United Fidelity Funding is an Equal Housing Lender.**

## APPENDIX A

### Eligible Mortgage Insurance Providers

For the Transfer of Existing Mortgage Insurance Policies for HARP 2.0

1. Radian
2. Genworth
3. United Guaranty
4. MGIC