

FNMA RefiNow

RefiNow is a new refinance mortgage option with flexibilities aimed at making it easier and less expensive for qualifying homeowners to reduce their monthly housing costs by taking advantage of today's low interest rates.

RefiNow helps homeowners by:

- Requiring a reduction in the homeowner's interest rate by a minimum of 50 basis points and a savings of at least \$50 in the homeowner's monthly mortgage payment.
- Providing a \$500 credit from Fannie Mae to the lender at the time the loan is purchased if an appraisal was obtained for the transaction. The lender must pass the credit to the homeowner.
- A debt-to-income ratio of 65% or less.

RefiNow qualification/requirements:

- Must be a Fannie Mae-backed mortgage secured by a 1-unit, principal residence.
- Current income at or below 100% of the AMI (not the income as of origination of the original loan).
- No missed mortgage payments in the past six months, and no more than one missed mortgage payment in the past 12 months.
- Must be a mortgage with a loan-to-value ratio up to 97%, a debt-to-income ratio of 65% or less, and a minimum 620 FICO score.
- Conforming loan limits only / No High Balance Loans.
- Fixed-rate mortgages only.
- Existing loan must be seasoned for at least 12 months, but not more than 10 years.
- All identical borrowers on the new loan as on the existing loan. New borrowers cannot be added or removed. One or more borrowers may only be removed if:
 - The remaining borrower(s) meets the payment history requirements and provides evidence that they have made at least the 12 months of payments from their own funds, or
 - Due to the death of a borrower (evidence of deceased borrower's death must be documented in the loan file).
- Non-occupant borrowers are permitted. A maximum LTV, CLTV and HCLTV ratio of 95% applies to loans underwritten DU and manually.
- This is a limited cash out refinance. Cash to borrower at closing cannot exceed \$250.00.
- No more than \$5,000 in costs can be added to the loan – this includes closing costs, prepaids and discount points.



- The RefiNow may only be used one time.
- Loan could still be eligible for PIW. No change to general PIW requirements.
- All property types are permitted. **Note:** FSB currently does not offer financing for single-wide manufactured housing.
- ALL project review requirements are waived.

The following table describes the 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. See Selling Guide B3-3.1-02, Standards for Employment Documentation.
Base Pay (variable) Tip, Bonus, Overtime Income and Commission Income	The borrower's year-to-date paystub and W2 covering the most recent one-year period. See also B3-3.1.02.
Military Income	Military Leave and Earnings 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 Selling Guide requirements apply

The following additional documentation requirements apply:

- Verbal verification of employment (employment or self-employment) is required in accordance with the Selling Guide.
- Verification of funds to close are required. Acceptable asset documentation includes one recent statement (monthly, quarterly, or annual) showing asset balance.
- Verification and consideration of recurring alimony and child support payments as a liability, if applicable, are required. Acceptable documentation includes a copy of the divorce decree, separation agreement, court order, or equivalent documentation confirming the amount of the obligation.

The above are HIGHLIGHTS to the program eligibility requirements. Please read the [Lender Letter](#) completely.

Contact Us Today!
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