

BULLETIN
CHANGES TO FANNIE MAE DU REFI PLUS PROGRAM
5/13/09

Fannie Mae has issued Announcement 09-13 in regards to the DU Refi Plus Program. The following items were addressed or clarified:

1. The requirement regarding properties listed for sale has been eliminated. This section has been removed from the guidelines.
2. No new subordinate financing is allowed as part of the DU Refi Plus transaction. Existing 2nd mortgages & HELOCs must be subordinated at closing—they cannot be paid off as part of the refinance transaction.
3. There are no seasoning requirements on the existing mortgage. Any refinance of a short-term refinance loan (i.e. consolidation of a 1st mortgage with a non-purchase 2nd mortgage) within the last 6 (six) months will not be considered cash out.
4. *Effective 7/1/09:* Cash back to the borrower cannot exceed \$250. Any excess cash must be applied to the new loan as a principal reduction or the actual loan amount must be reduced.

These changes were incorporated into the program guidelines effective 5/13/09.

For questions, please contact your AE



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