HARP 2.0

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"Where your funding is our business"

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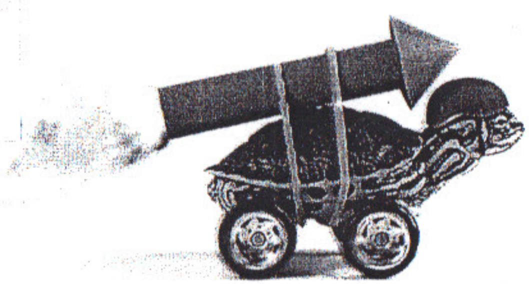


Effective Dates

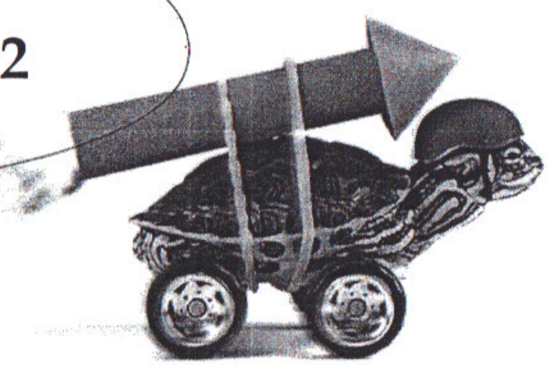
DU REFI PLUS Harp 2.0

Immediate release

- **Application dates: 12/1/2011**
- **DU Approve/Eligible Date: March 17, 2012**

Upcoming Release

- **15 or less years, > 105LTV : June 1, 2012**



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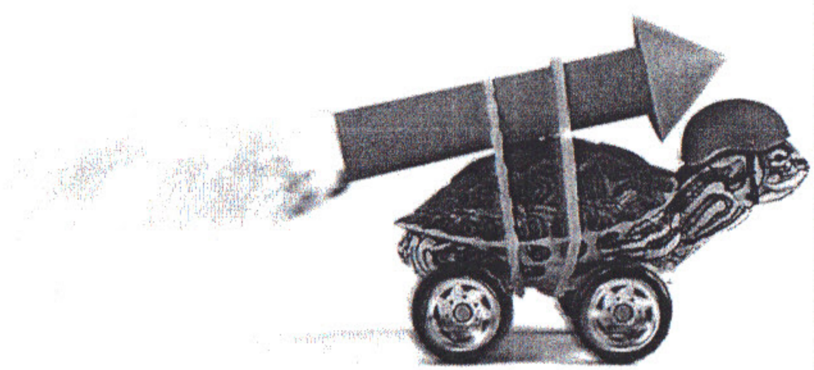
Harp 2.0 DU Refi Plus Guideline Updates

- Removes the current 125% LTV ceiling for fixed rate Mtgs.
- Eliminates the need for a new property appraisal where there is a reliable AVM Automated Valuation Model
- Extends the date for HARP until Dec 31, 2013 for loans sold to Fannie Mae prior to or on May 31,2009(This is a delivery date, not a closing date).

Eligibility for HARP 2.0

- The mortgage must be owned or guaranteed by Fannie Mae.
- The mortgage must have been sold to Fannie Mae on or before May 31, 2009.
- Can not be a loan with outstanding repurchase request; reverse mortgage, second mortgage or government mortgage. (FHA or VA)



Maximum LTV/CLTV

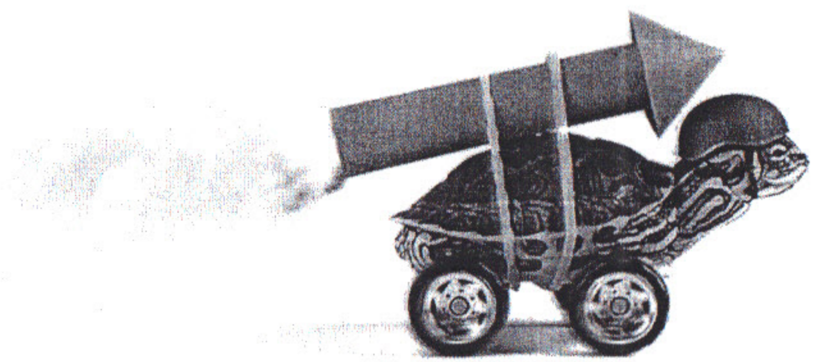
- Fixed Rate Mortgage – NO LTV CAP with terms up to 30 years
- Fixed Rate Mortgage – 105% with terms 30 < 40 years
- ARM Mortgage- Max LTV 105%
- No Max CLTV or HCLTV

Home Equity .CLTV

Subordinate Financing

can not roll a 2nd in

- All existing subordinate financing must be re-subordinated
- No new subordinate financing is permitted
- No restrictions on terms of existing subordinate financing.



Mortgage Insurance Requirements

Original Loan LTV	Existing MI Coverage	Mortgage Ins Req
Ratio80% or Less	None	None
Over 80%	None (MI previously canceled or terminated per Selling and Servicing Guide requirements)	None
	Yes	Transfer MI or New MI

will accept the transfer of mortgage insurance from the existing MI company.

This includes:

-Borrower paid monthly or single premium MI
-Lender Paid Single premium MI
-Lender paid Monthly MI- must be converted to borrower paid MI.

DU Eligibility Criteria

Will accept DU Approve/,EA-I,EA-II, EA-III/ Eligible recommendations. No Manual Underwrites.

Approve/Ineligible due to LTV -Prior to March 17, 2012 will be accepted – Loans will be conditioned subject to final DU reflecting Approve/Eligible.

DU will identify if the existing loan is eligible for DU REFI PLUS thru the property address and borrower (s) social security number(s). It is recommended to input the last four digits of the zip code for Property Fieldwork Waivers.

Fannie Mae Address look up

http://www.fanniemae.com/loanlookup/

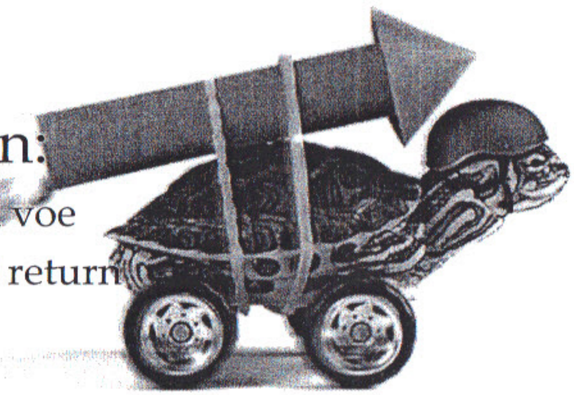
Condo Unit Numbers must be entered into DU. Please see the below link for guidance on entering the subject property address into DU:

https://www.efanniemae.com/lc/technology/do/quicksteps/pdf/dosubjectproperty.pdf

If a loan is not identified as eligible due to an error on the current loan, the current servicer must update the information. Fannie Updates the DU database every 30 days.

Underwriting

- No 60 Day late in the past 12 months on any mortgage trade-line.
- No limit on payment increase
- Minimum Income Documentation:
  - Salary/hourly/bonus: one paystub and verbal voe
  - Commission/self-employed: one-year federal return
  - Minimum 1 year 4506-T validation
- Max DTI – Determined by DU
- Bankruptcy and foreclosure- Standard selling guide policies
- No. of financed properties: no limit



Borrower Eligibility

All borrower(s) on the current loan must match the borrower(s) on the existing loan, except in the following circumstances:

- Borrowers may be removed for any reason provided remaining borrower(s) shows proof of making payments for 12 months, and borrower being removed is also removed from the deed.
- In the case of borrower(s) being removed due to death, evidence of making payments for 12 months is not required (with evidence of death provided in the file).
- Borrowers may be added in the new transaction provided the original borrowers remain on the loan.

Property Valuation

- DU REFI PLUS property fieldwork waiver(PFW)offered on certain loan case files. The fieldwork waiver is based off of FINAL DU findings.

  (Note: if an appraisal is provided then it must meet standards eligibility guidelines)
- PVR-Property verification Report required to exercise the PFW option.

  -$200 Fee
- Disaster area- 2075 Inspection is required (PVR not required with 2075)
- Escrow waivers- only if escrows on the current loan are waived.
- Condo Review Type V- Verify property is not a Condo hotel or motel. Standard Selling Guide requirements apply to Condo Insurance policies.