

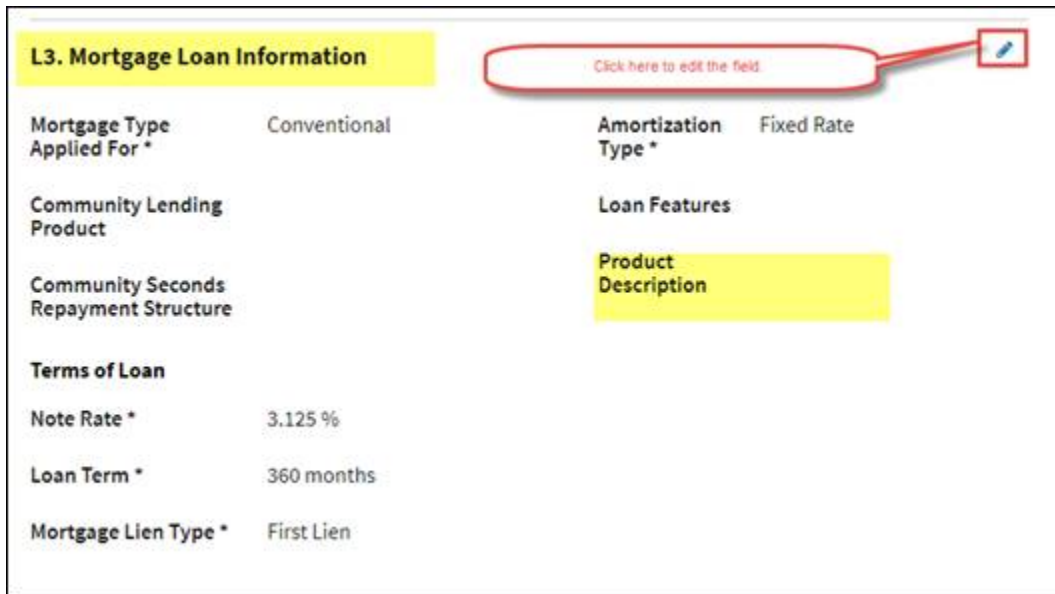
**To:** All Customers **From:** Credit Risk  
**Date:** 06/07/21 **Memo#:** 21072  
**Subject:** **Fannie Mae RefiNow**

Over the weekend, Fannie Mae implemented an update to DU which will now include the new RefiNow program.

We are working on updating and preparing our system requirements to offer the RefiNow program. A follow-up communication will be provided once the implementation has been complete and we are able to accept RefiNow loans. Until such time, if the DU feedback includes the following language “Standard LCOR” must be manually input into DU on the web:

“This loan casefile was underwritten according to the RefiNow eligibility guidelines offered on certain limited cash-out refinance loan casefiles where the borrower's existing loan is identified by DU as a Fannie Mae loan. By selling a RefiNow refinance loan to Fannie Mae, the lender represents and warrants that the borrower is receiving a benefit in the form of a reduction in the interest rate of at least 50 basis points and a reduction in the monthly mortgage payment of at least \$50. Ensure that the property is currently not listed for sale.”

To ensure loans we deliver to Fannie Mae are assessed as a standard refinance and not as a RefiNow, follow the steps below and enter “Standard LCOR” in the Product Description field.



L3. Mortgage Loan Information	
Mortgage Type Applied For *	Conventional
Amortization Type *	Fixed Rate
Community Lending Product	Loan Features
Community Seconds Repayment Structure	Product Description
Terms of Loan	
Note Rate *	3.125 %
Loan Term *	360 months
Mortgage Lien Type *	First Lien

### L3. Mortgage Loan Information ✕

<b>Mortgage Type Applied For *</b> <input type="text" value="Conventional"/>	<b>Amortization Type *</b> <input type="text" value="Fixed Rate"/>
<b>Community Lending Product</b> <input type="text" value="Select"/>	<b>Loan Features</b>
<b>Community Seconds Repayment Structure</b> <input type="text" value="Select"/>	<input type="checkbox"/> Balloon / Balloon Term
<b>Terms of Loan</b>	<input type="checkbox"/> Interest Only / Interest Only Term
<b>Note Rate *</b> <input type="text" value="3.125"/> %	<input type="checkbox"/> Negative Amortization
<b>Loan Term *</b> <input type="text" value="360"/>	<input type="checkbox"/> Prepayment Penalty / Prepayment Penalty Term
<b>Mortgage Lien Type *</b> <input type="text" value="First Lien"/>	<input type="checkbox"/> Temporary Interest Rate Buydown / Initial Buydown Rate
	<b>Product Description</b> <input type="text" value=""/>
	<div style="border: 1px solid red; border-radius: 15px; padding: 5px; display: inline-block;"><p style="color: red; font-size: small;">Enter "Standard LCOB" here and then click on Done. Then re-run DU.</p></div>

[CLEAR ALL VALUES](#)

If you have any questions on the contents on this memo, please email [underwritingsupport@flagstar.com](mailto:underwritingsupport@flagstar.com) or call the Underwriting Support Desk at (866) 945-9872