To:	All Customers	**From:**	Credit Policy
Date:	10/28/21	**Memo#:**	21145
Subject:	**Fannie Mae RefiNow and Freddie Mac Refi Possible Update**		

Fannie Mae Refi Now, Doc #5367, and *Freddie Mac Refi Possible*, Doc #5368, will be updated with the following guidelines updates and are effective immediately.

BORROWER BENEFIT

A reduction in the first lien mortgage monthly payment that includes principal, interest, and the mortgage insurance payment (if applicable) is being reduced from $50 to any reduction in payment.

FEES/ CLOSING COSTS

The $5,000 limitation of financed closing costs is being removed. While there is no longer a limit to the eligible costs which may be financed into the new loan amount, the borrower may still not receive cash out at closing in excess of $250.

Fannie Mae DU and Freddie Mac LPA will be updated at a future date. Response messages regarding the financed cost limit of $5,000 and minimum $50 reduction to payment may be disregarded effective immediately.

ADDITIONAL RESOURCES

- Fannie Mae LL-2021-10
- Freddie Mac Bulletin 2021-33

Further updates addressed in the Fannie Mae and Freddie Mac announcements will be addressed at a future date as they become available with the applicable automated response systems, DU or LPA.

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