



## IMPORTANT UPDATE BULLETIN 29 06252021

**Issued to:** All Channels

**Date:** 6-25-2021

**Subject:** New Product: FNMA RefiNow / FHLMC Refi Possible

**Effective:** FNMA RefiNow: Immediately  
FHLMC Refi Possible: Applications dated on or after August 30, 2021

Fannie Mae and Freddie Mac each introduced a new refinance product on May 5, 2021. **Fannie Mae RefiNow** is available immediately, and **Freddie Mac Refi Possible** will be available with applications dated on or after August 30, 2021. GHMC is happy to announce that we are offering these new agency products in accordance with these stated effective dates.

These programs were created to promote sustainable homeownership by making it easier for eligible homeowners to refinance at a lower interest rate and reduce their monthly mortgage payment.

### These programs will benefit:

- Low-income borrowers (borrowers must be under 80% area median income).
- Borrowers with higher debt-to-income ratios (DTI up to 65%).
- Borrowers with higher loan to value (LTV up to 97%).

### Program Highlights:

- If appraisal is obtained, \$500.00 credit to be provided by the lender at closing.
- Adverse market refinance fee will be waived for loans with original principal balance ≤ \$300,000.

### Program Requirements Snapshot<sup>1</sup>:

	RefiNow	Refi Possible
Full guides	<a href="#">Fannie Mae RefiNow</a>	<a href="#">Freddie Mac Refi Possible</a> <b>Not Eligible until 08/30</b>
Current Mortgage	Mortgage owned by Fannie Mae	1 <sup>st</sup> Lien, Mortgage owned by Freddie Mac
Property Type	One-Unit Primary Residence only	
Max LTV/CLTV/HCLTV	<ul style="list-style-type: none"><li>• 97%</li><li>• Non-Occupant co-borrower: 95%</li><li>• A HCLTV ratio up to 105% is permitted when secondary financing is an Affordable Second®.</li></ul>	
Min FICO	620	
Mortgage History	<ul style="list-style-type: none"><li>• 0 30-day mortgage delinquencies in the most recent six-month period.</li><li>• No more than 1 30-day delinquency in months 7 – 12.</li></ul>	
Interest Type	Fixed-rate only	
Term	15, 20, or 30 year	

Refi Type	Limited Cash out	No Cash-out
	Max cash to borrower: \$250.00 Financed closing costs, prepaids, & points ≤\$5,000.00	
Borrower Benefit	<ul style="list-style-type: none"> <li>Reduction in interest rate of at least 50 basis points <b>AND</b></li> <li>Reduction in the monthly payment that includes principal, interest, and the mortgage insurance payment (if applicable) of at least \$50.00.</li> </ul>	
Change in Borrowers	Identical borrowers on new loan as existing loan. <b>New borrowers cannot be added.</b> Borrowers may only be removed if: <ul style="list-style-type: none"> <li>Remaining borrower(s) meet the payment history requirements and provide evidence that they have made at least the last 12 months of payments from their own funds, or</li> <li>Death to a borrower (evidence of deceased borrower's death must be documented).</li> </ul>	
Special Feature Codes	Findings must indicate SFC 868	Findings must indicate IFI: J05

<sup>1</sup> For complete program requirements: [Fannie Mae Lender Letter \(LL-2021-10\)](#) or [Freddie Mac Bulletin 2021-17](#).

Please refer to the **RefiNow / Refi Possible Guidelines** for complete details which are attached for reference. Link: <https://ghmc.com/files/mc/RefiNow-Refi-Possible-Guidelines-6-25-21.pdf>

It is also posted in the Resource Center in the Product Guidelines – Conventional sub-folder.

Please contact your Account Executive for assistance.

We appreciate your business!