

READY REFISM



FOR PMI-INSURED LOANS ONLY

Ready Refi provides refinance opportunities for lenders that sell directly to Fannie Mae and/or Freddie Mac or portfolio their loans.

Seasoned PMI-insured loans can be refinanced by meeting the following:

- Confirm the loan is currently insured by PMI
- The new loan must do one of the following:
 - Reduce the borrower's payment
 - Reduce the interest rate
 - Replace an ARM loan with a fixed rate mortgage
- The existing loan has a minimum of 12 payments with no delinquency and is current
- The new loan is to the original borrowers and same property as the current loan
- The new loan must be a fixed rate/fixed payment or 5/1, 7/1, 10/1 ARM
- The new loan's LTV is calculated using a new appraisal (Distressed Markets Policy does not apply)
- **While PMI will insure all occupancy and property types, this does not guarantee a secondary market exists**

Confirm that PMI insures the loan by contacting the **Policy Servicing @ 800.366.1143**

		FULL DOC			
		STANDARD			
		LTV/CLTV	LOAN AMOUNT	MIN CREDIT SCORE	MAX DTI
Owner-Occupied Rate/Term Refinance	1 Unit SFD (attached & detached, condos, & PUDs); Co-ops; Manuf. Housing	97/97	\$625,500	620	45
		95/97	\$625,500	620	45
		90/97	\$625,500	620	45
		85/97	\$625,500	620	45
	2 Units*	97/97	\$533,250	620	45
		95/97	\$533,850	620	45
		90/97	\$533,850	620	45
		85/97	\$533,850	620	45
	3 Units*	97/97	\$645,300	620	45
		95/97	\$645,300	620	45
		90/97	\$645,300	620	45
		85/97	\$645,300	620	45
4 Units*	97/97	\$801,950	620	45	
	95/97	\$801,950	620	45	
	90/97	\$801,950	620	45	
	85/97	\$801,950	620	45	
Second Home Rate/Term Refinance	1 Unit SFD (attached & detached, condos, & PUDs); Co-ops; Manuf. Housing	97/97*	\$625,500	620	45
		95/97*	\$625,500	620	45
		90/97	\$625,500	620	45
		85/97	\$625,500	620	45
Investment Property* Rate/Term Refinance	1-4 Units, Condos, PUDs, and Co-ops; Manuf. Housing	97/97	\$625,500	620	45
		95/97	\$625,500	620	45
		90/97	\$625,500	620	45
		85/97	\$625,500	620	45

* Check with investor for saleability

RATE/TERM REFINANCE DEFINITION

- Payoff of the existing lien, including the related closing costs and prepaid items
- Up to 5% of the customary closing costs may be included in the new loan amount
- No more than 2% of the loan amount or \$2000, whichever is less, cash back to the borrower

BORROWERS

The new loan is for the original borrowers on the currently insured loan; no assumptions

LOAN TYPE

- The new loan must be a fixed rate/fixed payment or 5/1, 7/1, 10/1 ARM

SUBORDINATE FINANCING

- Junior liens must be either paid off with the borrower's own funds or resubordinated, provided the maximum CLTV requirements are met
- No new subordinate financing permitted

CREDIT REPORT/CREDIT SCORE

- A new credit report with a current credit score is required
- 0x30 mortgage lates in past 12 months

PROPERTY VALUATION

- A new appraisal with an interior and exterior inspection is required
- The Distressed Markets Policy does not apply

LENDER EXPECTATIONS

- PMI expects that the lender will:
 - Process and underwrite the loan as fully documented, with all income, employment and assets verified as required
 - Employ prudent underwriting judgment and assess the appraisal for accuracy and determine that the value is well-supported
 - All loan documents will not be reviewed by PMI. We expect the income, employment and assets presented on the loan application and transmittal summary (1003/1008) have been verified and can be provided upon request.

MORTGAGE INSURANCE

- A new Certificate will be issued
- The mortgage insurance coverage percentage can change
- The new loan is subject to the premium rates in effect at the time of the new loan
- If the loan exceeds any of these parameters, please contact the National Underwriting Center (NUC) for consideration.

DELEGATED SUBMISSION

- Delegated loans should be submitted via e-PMI, no additional documentation is required
- If manually submitted, the lender should include the following:
 1. MI Application (manual submissions only)
 2. New 1003/1008

NON-DELEGATED SUBMISSION

- Lenders should also use e-PMI and electronically submit the following documents:
 1. MI Application (manual submissions only)
 2. New 1003/1008
 3. New credit report
 4. Appraisal

MANUAL SUBMISSION

National Underwriting Center
Downers Grove, IL
800.759.4764
888.444.9792 (fax)