



**Announcement:** CWL2021-14

**Issue Date:** June 18, 2021

**Effective Date:** June 16, 2021

**Attachment:** RefiNow Guidelines

### **Updates to RefiNow Program**

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Fannie Mae has updated their eligibility requirements for RefiNow transactions as follows:

#### **Subordinate Financing**

- Allowing existing subordinate financing to be simultaneously refinanced as part of a RefiNow transaction, provided the following is met:
  - May not be satisfied with the proceeds of the new loan,
  - Can remain in place if it is resubordinated to the new loan, and
  - May be simultaneously refinanced with the existing first lien mortgage, provided that:
    - The unpaid principal balance (UPB) of the new subordinate lien is not more than the UPB of the subordinate lien being refinanced at the time of payoff, and
    - There is no increase in the monthly principal and interest payment on the subordinate lien.

#### **Housing Payment History**

- Permitting borrowers who have resolved missed payments due to a COVID-19 forbearance in accordance with the temporary eligibility requirements for purchase and refinance transactions noted in [LL-2021-03](#) to be eligible for a new RefiNow transaction.

#### **Employment / Income**

- Clarified paystub requirements for base pay income types to align with current Fannie Mae policy.

Refer to RefiNow guidelines for specific details and requirements.