

## FANNIE MAE DUS®

### Choice Refinance

Learn more about our streamlined refinance execution for Fannie Mae Portfolio Mortgage Loans in good standing.

#### BENEFITS

- Flexible refinancing.
- Lower costs from reduced documentation.
- Increased lender delegation.
- Speed in processing and underwriting.

<b>ELIGIBILITY</b>	<ul style="list-style-type: none"> <li>• Existing Fannie Mae Cash or MBS loan.</li> <li>• Lender must be the current Servicer of the loan being refinanced.</li> <li>• Well maintained stabilized properties as evidenced by the most recent property inspection.</li> <li>• Mortgage Loans must meet standards related to past monetary and nonmonetary defaults as outlined in the Guide.</li> <li>• Small Mortgage Loans and Cooperative Properties may have additional eligibility requirements.</li> </ul>
<b>STREAMLINED REQUIREMENTS</b>	All other terms follow the requirements set for newly originated first-lien loans.
<b>PRE-REVIEW MORTGAGE LOANS</b>	Generally, no pre-review is required if the Pre-Review category for the Portfolio Mortgage Loan was previously approved by Fannie Mae. Please see the Guide and the Multifamily Underwriting Standards for complete requirements.
<b>PROPERTY DOCUMENTATION</b>	Property Management documentation requirements may be waived. Lender must document rationale in the Transaction Approval Memo.
<b>BORROWER ANALYSIS</b>	<p>New underwriting certification may be given in lieu of full underwriting if financial statements for Borrower, Guarantors, Key Principals, and Principals have been submitted within the past 12 months and the Borrower certifies that no material adverse change has occurred from the financial or credit standing evidenced by those financial statements.</p> <p>If the Borrower's organizational structure has changed the lender must review necessary documents to confirm that the new structure meets the Guide requirements.</p> <p>For the Borrower, and each Key Principal, Guarantor, and Principal, the Lender will report ACheck results, and obtain and review financial statements.</p>
<b>PREPAYMENT PREMIUM</b>	After the expiration of the Yield Maintenance period, the required 1% prepayment premium may be reduced or waived in certain circumstances. Prepayment premium due may be paid from the proceeds of the new Choice Refinance loan.
<b>PROPERTY ZONING</b>	Borrower must certify that there has been no change in zoning affecting the property in lieu of full underwriting. If the Property has been rezoned the lender must satisfy the Guide requirements for non-conforming uses.
<b>ESCROWS</b>	Lender may waive Replacement Reserve escrows on Tier 2 transactions (excluding certain Pre-Review Markets specified in the Multifamily Underwriting Standards). Lender may waive Tax and Insurance Escrows if Fannie Mae previously waived the Tax and Insurance Escrows on the Portfolio Mortgage Loan.
<b>THIRD-PARTY REPORTS</b>	Phase I Environmental Site Assessment will not be required in most instances. Streamlined Property Condition Assessment (Form 4099.A) may be utilized. New appraisal and title insurance policy will be required. New survey is not required as long as requirements are met, see Guide for details.
<b>THIRD-PARTY EXPENSES</b>	Origination Fees may be used to pay third-party expenses.

In its prequalifying review, Lument will attempt to estimate both the loan amount and the fees and costs associated with the transaction. Actual loan amounts and actual fees and expenses may vary from the prequalifying estimates. A prequalifying estimate is not a commitment to make a loan.

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