



FANNIE MAE DUS[®] Choice Refinance

Arbor's Choice Refinance product offers a streamlined refinance execution for Fannie Mae portfolio mortgage loans in good standing.

LOAN AMOUNT	No minimum loan amount (subject to change)
LOAN TERM	Standard DUS options available (5- to 30-year terms)
AMORTIZATION	Generally 30 years
MINIMUM DSCR	1.25x DSCR calculated according to standard DUS underwriting guidelines
MAXIMUM LTV	80%; if cash-out, 75%
RATE STRUCTURE	Fixed- and adjustable-rate options available
PREREVIEW MORTGAGE LOANS	Prereview mortgage loans are no longer prohibited for Choice Refinance loans; generally, no prereview is required if the prereview category for the portfolio mortgage loan was previously approved by Fannie Mae
BENEFITS	Benefits include: <ul style="list-style-type: none"> • Flexible refinancing and increased lender delegation • Lower costs from reduced documentation • Speed in processing and underwriting
TAX AND INSURANCE ESCROWS	Monthly deposits required; may be waived if certain criteria are met
REPLACEMENT RESERVES	Underwritten at a minimum \$250 per unit per annum
RECOURSE REQUIREMENTS	Nonrecourse except for standard carve-outs
PREPAYMENT	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 loan
ASSUMABLE	Subject to approval and 1% fee
SUPPLEMENTAL FINANCING	DUS supplemental loans are permitted after the Choice Refinance loan has been in place for one year