

Announcement SEL-2011-02**March 14, 2011****Extension of the Home Affordable Refinance Program**

On March 11, 2011, the Federal Housing Finance Agency announced two changes to the Home Affordable Refinance Program (HARP). This program is for borrowers who have demonstrated an acceptable payment history on their mortgage but, due to a decline in home prices or where mortgage insurance is not available, have been unable to refinance to obtain a lower payment or move to a more stable mortgage product. The following changes will extend the availability of the program to additional borrowers:

- The program has been extended. Accordingly, lenders may continue to originate Refi Plus™ and DU Refi Plus™ loans with the HARP flexibilities provided the note date is on or before June 30, 2012, and whole loans are purchased by Fannie Mae no later than October 31, 2012 or in an MBS pool with an issue date no later than October 1, 2012.
- Currently, to be eligible for Refi Plus or DU Refi Plus the existing mortgage loan being refinanced had to be purchased by Fannie Mae prior to March 1, 2009 or in an MBS pool with an issue date prior to March 1, 2009. With these program changes, mortgage loans are now eligible if they were purchased by Fannie Mae prior to June 1, 2009 or in an MBS pool with an issue date prior to June 1, 2009.

Desktop Underwriter® (DU®) and the delivery system edits will be updated to reflect the additional mortgage loans that are now eligible for inclusion in the program (loans purchased or securitized by Fannie Mae between March 1, 2009 and June 1, 2009). Consequently, DU will not identify these loan casefiles as eligible to be refinanced using DU Refi Plus until April 11, 2011, and DU and manually underwritten loans meeting the new eligibility requirement can be delivered to Fannie Mae on or after April 11, 2011.

These changes will be reflected in an upcoming update of the Fannie Mae *Selling Guide*.

Lenders who have questions should contact their Customer Account Team.

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