



# Guide Update 23-23: Refinance Risk Analysis

Effective: 10/26/23

## Summary of Changes

### HIGHLIGHTS

**Effective as of October 26, 2023**, the income and expense growth rate data used to calculate exit rates in DUS Gateway will be updated to align with the new Refinance Risk Analysis Base Assumptions.

### Primary Changes

You must:

- use 2% income growth/3% general expense trending to calculate exit rates for a Mortgage Loan:
  - in a Structured Transaction; or
  - secured by multiple Properties; and
- for all other Mortgage Loans, use the income and expense growth rates published in DUS Gateway for the Property.

### Implementation

On October 26, 2023, DUS Gateway exit rate fields will automatically update to:

- Standard Exit; and
- Exit Rates at 2%/3%.

You must use the new growth rate methodology for all transactions with a DUS Gateway Deal Submitted Date:

- on or after October 26, 2023; or
- before October 26, 2023, and
  - the quote has expired,



- a new loan option is added, or
- a change is made to an existing loan option.

If you are using the prior growth rate methodology for a transaction with a DUS Gateway Deal Submitted Date before October 26, 2023:

- enter the prior exit rate in the "Expected Exit Refinance Interest Rate" field on the "Loan Options" page; and
- note the prior exit rate's use in your Transaction Approval Memo.

### **Superseded Publication**

This publication supersedes Guide Update 23-07: Refinance Risk Analysis.

### **Questions**

Please contact the Fannie Mae Deal Team with any questions.