

Conventional Product Profile: Correspondent

Matrices

FANNIE MAE (DU) FIXED RATE STANDARD AND HIGH-BALANCE ELIGIBILITY MATRIX					
Occupancy	Transaction Type	Units	Credit Score	LTV/CLTV	DTI ²
Primary Residence	Purchase and Rate & Term Refi	1	620	97% ¹	Follow DU
		1	620	95%	Follow DU
		2	620	85%	Follow DU
		3-4	620	75%	Follow DU
	Cash-Out Refi	1	640	80%	Follow DU
		2-4	640	75%	Follow DU
Second Home	Purchase and Rate & Term Refi	1	620	90%	Follow DU
	Cash-Out Refi	1	640	75%	Follow DU
Investment Property	Purchase	1	620	85%	Follow DU
		2-4	620	75%	Follow DU
	Rate & Term Refi	1-4	620	75%	Follow DU
	Cash-Out Refi	1	640	75%	Follow DU
		2-4	640	70%	Follow DU

¹95.01%-97% LTV/CLTV

- Fannie Mae Conforming Fixed Rate
- Maximum 105% CLTV with Community Second
- Purchase: At least one borrower must be a first-time homebuyer
- Rate & Term Refinance: Current mortgage being refinanced must be owned by Fannie Mae
 - [Fannie Mae Loan Lookup](#) tool
- High-Balance not permitted

² West Virginia: Maximum DTI 50%

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FREDDIE MAC (LPA) FIXED RATE STANDARD AND SUPER CONFORMING ELIGIBILITY MATRIX					
Occupancy	Transaction Type	Units	Credit Score	LTV/CLTV	DTI ²
Primary Residence	Purchase and Rate & Term Refi	1	620	97% ¹	Follow LPA
		1	620	95%	Follow LPA
		2	620	85%	Follow LPA
		3-4	620	80%	Follow LPA
	Cash-Out Refi	1	640	80%	Follow LPA
		2-4	640	75%	Follow LPA
Second Home	Purchase and Rate & Term Refi	1	620	90%	Follow LPA
	Cash-Out Refi	1	640	75%	Follow LPA
Investment Property	Purchase and Rate & Term Refi	1	620	85%	Follow LPA
		2-4	620	75%	Follow LPA
	Cash-Out Refi	1	640	75%	Follow LPA
		2-4	640	70%	Follow LPA

¹95.01%-97% LTV

- HomeOne mortgage
- Freddie Mac Conforming Fixed Rate; Super Conforming not permitted
- Purchase: At least one borrower must be a first-time homebuyer
- Refinance: Current mortgage being refinanced must be owned by Freddie Mac
 - [Freddie Mac Loan Lookup tool](#)

² West Virginia: Maximum DTI 50%

MANUFACTURED HOUSING FIXED RATE ELIGIBILITY MATRIX					
Occupancy	Transaction Type	Units	Credit Score	LTV/CLTV	DTI ²
FANNIE MAE (DU)					
Primary Residence	Purchase and Rate & Term Refi	1	640	95%	Follow DU
	Cash-Out Refi ¹		640	65%	Follow DU
Second Home	Purchase and Rate & Term Refi	1	640	90%	Follow DU
FREDDIE MAC (LPA)					
Primary Residence	Purchase and Rate & Term Refi	1	640	95%	Follow LPA
	Cash-Out Refi ¹		640	65%	Follow LPA
Second Home	Purchase and Rate & Term Refi	1	640	85%	Follow LPA

¹ Cash-Out-Refi

- Borrower must have owned both the manufactured home unit and land for at least 12 months preceding the date of application
- Maximum term is 20-years
- Fannie Mae High-Balance maximum loan amount \$765,600
- Not permitted
 - Super Conforming
 - Properties on a leasehold

² West Virginia: Maximum DTI 50%

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Section 1: Program Summary	
1.1 Program Summary	
Program Summary	NewRez will follow Fannie Mae and Freddie Mac requirements per the applicable Selling Guide, except for NewRez Overlays.
1.2 Underwriting	
Underwriting	<p>Automated Underwriting</p> <ul style="list-style-type: none"> Loans underwritten by Desktop Underwriter (DU) must receive an Approve/Eligible decision and may follow the DU Underwriting Findings Report, except as outlined in this product profile. Loans underwritten by Loan Product Advisor (LPA) require an Accept decision and may follow LPA Feedback Certificate, except as outlined in this product profile. <p>Manual Underwriting</p> <ul style="list-style-type: none"> Manual underwriting not permitted <p>Regardless of underwriting method, additional information may be requested at the discretion of the underwriter.</p>
1.3 Ineligible Programs	
Ineligible Programs	<ul style="list-style-type: none"> Adjustable Rate Mortgages (ARM) Fannie Mae Homestyle Renovation Fannie Mae MH Advantage Fannie Mae Rural High-Needs Appraisal Waiver Freddie Mac CHOICEHome Freddie Mac GreenCHOICE Land trusts Leaseholds secured by Indian/Tribal lands Mortgage Credit Certificates (MCC) (loans underwritten by NewRez) Temporary Buydowns
Section 2: Transaction Details	
2.1 Loan Limits	
Loan Limits	https://www.fanniemae.com/singlefamily/loan-limits https://www.fhfa.gov/DataTools/Downloads/Pages/Conforming-Loan-Limits.aspx

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2.2 Eligible Terms and Programs					
Eligible Terms and Programs	Fannie Mae			Freddie Mac	
	W90	10 Yr Fannie/Freddie Fixed		W91	10 Yr Freddie Mac Eligible Fixed
	345	15 Yr Fannie/Freddie Fixed		347	15 Yr Freddie Mac Eligible Fixed
	W78	20 Yr Fannie/Freddie Fixed		W79	20 Yr Freddie Mac Eligible Fixed
	346	30 Yr Fannie/Freddie Fixed		348	30 Yr Freddie Mac Eligible Fixed
	AA9	30 Yr Fannie Fixed with Community Second	X39		10 Yr Super Conforming Freddie Mac Eligible Fixed
	X38	10 Yr Fannie/Freddie High-Balance Fixed	W08		15 Yr Super Conforming Freddie Mac Eligible Fixed
	V40	15 Yr Fannie/Freddie High-Balance Fixed	X49		20 Yr Super Conforming Freddie Mac Eligible Fixed
	X48	20 Yr Fannie/Freddie High-Balance Fixed	W09		30 Yr Super Conforming Freddie Mac Eligible Fixed
	V41	30 Yr Fannie/Freddie High-Balance Fixed			
	Y59	15 Yr Fannie/Freddie Fixed LPMI	FF2		15 Yr Freddie Mac Eligible Fixed LPMI
	Y50	30 Yr Fannie/Freddie Fixed LPMI	FF3		30 Yr Freddie Mac Eligible Fixed LPMI
	Y60	15 Yr Fannie Fixed High-Balance LPMI	Y64		15 Yr Super Conforming LPMI Freddie Mac Eligible Fixed
	Y32	30 Yr Fannie Fixed High-Balance LPMI	Y57		30 Yr Super Conforming LPMI Freddie Mac Eligible Fixed
Loan Term <ul style="list-style-type: none"> • 10 to 30 -year terms in annual increments • Manufactured homes: 20 year terms for cash-out refinance 					
2.3 Eligible Transactions					
Eligible Transactions	<ul style="list-style-type: none"> • Purchase • Rate & Term (Limited Cash-Out) Refinance • Cash-Out Refinance • Single Close Modification of the Note (Delegated Clients only) <ul style="list-style-type: none"> • Conforming and High-Balance Fixed Rate only • Freddie Mac loans not permitted 				
2.4 Principal Curtailments/Reductions					
Principal Curtailments-Reductions	If the borrower receives more cash back than is permitted for Rate and Term Refinances, a curtailment can be applied to reduce the amount of cash back to the borrower to bring the loan into compliance with the maximum cash-back requirement. The maximum amount of the curtailment cannot exceed the lesser of \$2,500 or 2% of the original loan amount for the subject loan.				
2.5 Refinances (General)					
Refinances (General)	<ul style="list-style-type: none"> • See Agency Guidelines for general requirements for refinance transactions. • Maximum incidental cash back to the borrower is lesser of \$2,000 or 2% of the loan amount or includes the payoff of non-purchase money seconds for Rate & Term Refinance transactions • Delegated Correspondents are responsible for determining when Net Tangible Benefit must be met. • AR, CT, IL MN, NC, NM, OH, and WA: All channels must complete the Generic NTB Test <ul style="list-style-type: none"> ○ Delegated correspondents must ensure the state requirements have been met, but are not required to use the NewRez form • In CO*, MA, MD, ME, RI, SC, VA, and WV: Complete the state specific forms as required by the state • For all other states, no NTB test is required • <u>See NewRez Net Tangible Benefit Policy</u> 				

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	<ul style="list-style-type: none"> • Primary residence nonprime (HPML) refinances in CT with loan amounts <= \$417,000: <ul style="list-style-type: none"> ○ If the loan being refinanced is a Special Mortgage, defined as a FHA, VA, USDA loan, or a bond loan provided by a Housing Finance Agency, homeownership counseling is required • Continuity of Obligation <ul style="list-style-type: none"> ○ LPA scored loans <ul style="list-style-type: none"> • When an existing Mortgage will be satisfied as a result of a refinance transaction, one of the following requirements must be met: <ul style="list-style-type: none"> • At least one Borrower on the refinance Mortgage was a Borrower on the Mortgage being refinanced; or • At least one Borrower on the refinance Mortgage held title to and resided in the Mortgaged Premises as a Primary Residence for the most recent 12-month period and the Mortgage file contains documentation evidencing that the Borrower, either: <ul style="list-style-type: none"> ▪ Has been making timely Mortgage payments, including the payments for any secondary financing, for the most recent 12-month period; or ▪ Is a Related Person to a borrower on the mortgage being refinanced; or ▪ At least one Borrower on the refinance mortgage inherited or was legally awarded the mortgaged premises (for example), in the case of divorce, separation or dissolution of a domestic partnership)
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2.6 Cash-Out Refinance

<p>Cash-Out Refinance</p>	<ul style="list-style-type: none"> • Loan is defined as cash out refinance if the cash out amount exceeds the lesser of \$2,000 or 2% of the loan amount or includes the payoff of non-purchase money seconds. • See Agency Guidelines for general requirements for cash out refinance transactions. • Continuity of Obligation <ul style="list-style-type: none"> ○ At least one borrower must have been on the title to the subject property for at least six months prior to the Note Date, except as specified below. ○ If none of the borrowers have held title to the subject property for at least six months prior to the Note Date of the cash-out refinance Mortgage, the following requirement(s) must be met: <ul style="list-style-type: none"> • At least one borrower on the refinance mortgage inherited or was legally awarded the subject property (for example, in the case of divorce, separation or dissolution of a domestic partnership) • DU Scored only: <ul style="list-style-type: none"> • If the property was owned prior to closing by either of the following entities, the time it was held by the entity may be counted towards meeting the borrower’s six-month ownership requirement • A limited liability corporation (LLC) that is majority-owned or controlled by the borrower(s). Ownership must be transferred out of the LLC and into the name of the individual borrower(s) prior to closing. • If the property was owned prior to closing by an inter vivos revocable trust, the time held by the trust may be counted towards meeting the borrower’s six-month ownership requirement if the borrower is the primary beneficiary of the trust. <p>OR, all the following (Delayed Financing Exception)</p> <ul style="list-style-type: none"> • The Closing Disclosure from the purchase transaction must reflect that no financing secured by the subject property was used to purchase the subject property. • The preliminary title report for the refinance transaction must reflect the Borrower as the owner of the subject property and must reflect that there are no liens on the property • The source of funds used to purchase the subject property must be fully documented
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	<ul style="list-style-type: none"> • If funds were borrowed to purchase the subject property, those funds must be repaid and reflected on the Settlement/Closing Disclosure Statement for the refinance transaction • The amount of the cash-out refinance mortgage must not exceed the sum of the original purchase price and related closing costs, financing costs and prepaids/escrows as documented by the Closing Disclosure for the purchase transaction, less any gift funds used to purchase the subject property (gift funds may not be reimbursed). A recorded trustee's deed or equivalent documentation may be used when a Settlement/Closing Disclosure Statement was not used for the purchase transaction. • There must have been no affiliation or relationship between the buyer and seller of the purchase transaction <p>Manufactured Housing</p> <ul style="list-style-type: none"> • The borrower must have owned both the manufactured home and land for at least 12 months preceding the date of the loan application.
2.7 Student Loan Cash-Out Refinance	
<p>Student Loan Cash-Out Refinance</p>	<p>The student loan cash-out refinance feature allows for the payoff of student loan debt through the refinance transaction with Rate & Term pricing if all the following are met:</p> <ul style="list-style-type: none"> • DU Scored only. DU will issue a message when it appears that only subject property liens and student loans are marked paid by closing. Confirm the loan meets all requirements outside of DU. • At least one student loan must be paid off with proceeds from the subject transaction with the following criteria: <ul style="list-style-type: none"> ○ proceeds must be paid directly to the student loan servicer at closing; ○ at least one borrower must be obligated on the student loan(s) being paid off, and ○ the student loan must be paid in full - partial payments are not permitted. • The transaction may also be used to pay off one of the following: <ul style="list-style-type: none"> ○ an existing first mortgage loan (including an existing HELOC in first-lien position); or ○ a single-closing construction-to-permanent loan to pay for construction costs to build the home, which may include paying off an existing lot lien (Delegated Correspondents only) • Only subordinate liens used to purchase the property may be paid off and included in the new mortgage. <ul style="list-style-type: none"> ○ Exceptions are allowed for paying off a PACE loan or other debt (secured or unsecured) that was used solely for energy improvements. • The borrower may receive cash back not to exceed the lesser of \$2,000 or 2% of the loan amount. • If any debt other than student loan(s) and acceptable liens noted in this section are paid off at closing the transaction cannot be a Student Loan Cash-Out Refi (Ex: additional credit card debt paid at closing with cash-out proceeds) • Special Feature Codes 003 and 841 are required.
2.8 Payoff Demands	

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<p>Payoff Demands</p>	<p>Payoff demands are required to ensure the current lien is paid in full prior to closing. The expiration date of the payoff demand must be reviewed.</p> <p>If the payoff demand does not contain an expiration date, verify a per diem amount is listed. The per diem should be applied to the payoff amount to cover proceeds through the funding date; it can be used for an unlimited number of days; unless otherwise specified in the payoff letter.</p> <p>A payoff is considered expired when:</p> <ul style="list-style-type: none"> • The document is void after a specified date; or • The interest accrued amount on the statement signals the borrower will be past-due when the new loan funds; • The borrower must make a mortgage payment prior to closing to avoid a late payment on the credit; and • The borrower must provide evidence the payment has been made and the updated payoff demand must reflect that a payment has been made. 																											
<p>2.9 CEMA</p>																												
<p>CEMA</p>	<ul style="list-style-type: none"> • Eligible for Delegated Clients • A CEMA Approved Attorney must be used. 																											
<p>2.10 Texas 50(a)(6) loans</p>																												
<p>Texas 50(a)(6) loans</p>	<p>A new lien on a Texas borrower’s homestead becomes a 50 (a)(6) loan if the current lien is a 50 (a)(6) and/or the new loan amount pays off an existing lien and:</p> <ul style="list-style-type: none"> • Provides any proceeds to the borrower (even \$1) • Payoff/down an existing Texas 50 (a)(6) lien (with or without cash back to the borrower) that does not meet the requirements for Texas (f)(2) eligibility <p>Refer to the Texas 50(a)(6) product profile for all other requirements.</p>																											
<p>2.11 Texas 50(f)(2) Loans</p>																												
<p>Texas 50(f)(2) Loans</p>	<p>Texas 50(f)(2) loans allow the refinance of a home equity loan into a non-home equity loan.</p> <ul style="list-style-type: none"> • Maximum 80% LTV/CLTV; • New subordinate financing not permitted; • No additional funds may be rolled into the loan (except closing costs and prepaids). • Loan may not close until: <ul style="list-style-type: none"> ○ Twelve days after the borrower submits the loan application or all borrowers sign the 12-day notice, whichever is later. ○ One day after the borrowers receive a copy of the Closing Disclosure. ○ After the one-year anniversary of the closing of an existing Texas (a)(6) loan. <p>(f)(2) Determination</p> <table border="1" data-bbox="389 1470 1356 1896"> <thead> <tr> <th data-bbox="389 1470 795 1522">New Loan Amount pays off existing lien and....</th> <th data-bbox="795 1470 1079 1522">If existing lien is a non-50(a)(6); then the new lien is....</th> <th data-bbox="1079 1470 1356 1522">If existing lien is a 50(a)(6); then the new lien is....</th> </tr> </thead> <tbody> <tr> <td data-bbox="389 1522 795 1549">Provides even \$1 cash to the borrower</td> <td data-bbox="795 1522 1079 1549">Texas (a)(6)</td> <td data-bbox="1079 1522 1356 1549">Texas (a)(6)</td> </tr> <tr> <td data-bbox="389 1549 795 1602">Pays off/down an existing TX (a)(6) lien with no cash to borrower</td> <td data-bbox="795 1549 1079 1602">Texas (a)(6)</td> <td data-bbox="1079 1549 1356 1602">Texas (f)(2) – if seasoning requirements are met*</td> </tr> <tr> <td data-bbox="389 1602 795 1654">Pays off/down an existing TX (a)(6) lien with cash to borrower</td> <td data-bbox="795 1602 1079 1654">Texas (a)(6)</td> <td data-bbox="1079 1602 1356 1654">Texas (a)(6)</td> </tr> <tr> <td data-bbox="389 1654 795 1707">The new lien is < existing UPB (no new funds)</td> <td data-bbox="795 1654 1079 1707">Non-Texas (a)(6)</td> <td data-bbox="1079 1654 1356 1707">Texas (f)(2) – if seasoning requirements are met*</td> </tr> <tr> <td data-bbox="389 1707 795 1759">Funds, prepaids and/or closing costs</td> <td data-bbox="795 1707 1079 1759">Non-Texas (a)(6)</td> <td data-bbox="1079 1707 1356 1759">Texas (f)(2) – if seasoning requirements are met*</td> </tr> <tr> <td data-bbox="389 1759 795 1812">Pays off/down a purchase money 2nd</td> <td data-bbox="795 1759 1079 1812">Non-Texas (a)(6)</td> <td data-bbox="1079 1759 1356 1812">Texas (f)(2) – if seasoning requirements are met*</td> </tr> <tr> <td data-bbox="389 1812 795 1864">Pays off/down an existing Secured Home Improvement Loan (mechanic’s lien)</td> <td data-bbox="795 1812 1079 1864">Non-Texas (a)(6)</td> <td data-bbox="1079 1812 1356 1864">Texas (f)(2) – if seasoning requirements are met*</td> </tr> <tr> <td data-bbox="389 1864 795 1896">Provides funds to satisfy a court ordered Divorce Equity Buyout</td> <td data-bbox="795 1864 1079 1896">Non-Texas (a)(6)</td> <td data-bbox="1079 1864 1356 1896">Texas (a)(6)</td> </tr> </tbody> </table>	New Loan Amount pays off existing lien and....	If existing lien is a non-50(a)(6); then the new lien is....	If existing lien is a 50(a)(6); then the new lien is....	Provides even \$1 cash to the borrower	Texas (a)(6)	Texas (a)(6)	Pays off/down an existing TX (a)(6) lien with no cash to borrower	Texas (a)(6)	Texas (f)(2) – if seasoning requirements are met*	Pays off/down an existing TX (a)(6) lien with cash to borrower	Texas (a)(6)	Texas (a)(6)	The new lien is < existing UPB (no new funds)	Non-Texas (a)(6)	Texas (f)(2) – if seasoning requirements are met*	Funds, prepaids and/or closing costs	Non-Texas (a)(6)	Texas (f)(2) – if seasoning requirements are met*	Pays off/down a purchase money 2nd	Non-Texas (a)(6)	Texas (f)(2) – if seasoning requirements are met*	Pays off/down an existing Secured Home Improvement Loan (mechanic’s lien)	Non-Texas (a)(6)	Texas (f)(2) – if seasoning requirements are met*	Provides funds to satisfy a court ordered Divorce Equity Buyout	Non-Texas (a)(6)	Texas (a)(6)
New Loan Amount pays off existing lien and....	If existing lien is a non-50(a)(6); then the new lien is....	If existing lien is a 50(a)(6); then the new lien is....																										
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Provides funds to satisfy a court ordered Divorce Equity Buyout	Non-Texas (a)(6)	Texas (a)(6)																										

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Information is accurate as of the date of publishing and is subject to change without notice. The overlays outlined in this matrix apply to agency loans submitted to DU/LPA. In addition to applying these NewRez specific overlays. All loans submitted to DU must comply with the DU Findings and Fannie Mae requirements and that all loans submitted to LPA comply with the LPA Findings and Freddie Mac requirements. This document should not be relied upon or treated as legal advice. Guidelines subject to change without notice; Printed copies may not be the most current version.

	*Borrower may elect to have loan remain a Texas 50 (a)(6). Refer to Texas 50 (a)(6) product profile.
2.12 Subordinate Financing	
Subordinate Financing	<ul style="list-style-type: none"> • New, modified, and existing subordinate liens are permitted within CLTV limits. • A copy of the subordinating Note, Mortgage/Deed and Subordination Agreement is required. If there is an outstanding balance at the time of closing, the payment on the subordinate financing must be included in the calculation of the borrower’s debt to income ratio. The qualifying payment is the payment evidenced on the credit report or for new draws the periodic payment required under the terms of the plan and the amount of credit to be drawn at or before consummation of the covered transaction.
2.13 Manufactured Housing	
Manufactured Housing	<p>A Manufactured Home is a dwelling unit built on a permanent chassis and attached to a permanent foundation system. Refer to applicable agency’s Selling Guide (Fannie Mae or Freddie Mac) for any information not specified in this product profile.</p> <p>The manufactured home must be built in compliance with:</p> <ul style="list-style-type: none"> • The Federal Manufactured Home Construction and Safety Standards that were established June 15, 1976, as amended and in force at the time the home is manufactured and additional requirements that appear in HUD regulations at 24 C.F.R. Part 3280 as evidenced by the presence of both a HUD Data Plate and the HUD Certification Label (Tag). Manufactured homes built prior to June 15, 1976 are not eligible. <ul style="list-style-type: none"> ○ If the original or alternative documentation cannot be obtained for both the Data Plate/Compliance Certificate and HUD Certification label, the loan is not eligible. ○ If the HUD tag is missing, a recent “HUD Certification Verification” letter issued by the Institute for Building Technology and Safety (IBTS) or a copy of the Data Plate from the In-Plant Primary Inspection Agency (IPI) or manufacturer must be provided. • The HUD Data Plate/Compliance Certificate is a paper document located on the interior of the subject property that contains, among other things, the manufacturer’s name, and trade/model number. In addition to the data required by Fannie Mae, the Data Plate includes pertinent information about the unit, including a list of factory-installed equipment. The HUD Certification Label, sometimes referred to as a HUD “seal” or “tag,” is a metal plate located on the exterior of each section of the home. The Manufactured Home Appraisal Report (Form 1004C) must show evidence of both the HUD Data Plate/Compliance Certificate and the HUD Certification Label. <p>Eligibility</p> <ul style="list-style-type: none"> • The unit must not have been previously installed or occupied at any other site or location, except from the manufacturer or the dealer’s lot as a new unit. • The manufactured home must be a one-unit single family detached or detached PUD that is legally classified as real property and taxed and titled as such. New construction and any homes that have not yet been taxed and titled as real property are not permitted. • The towing hitch, wheels, and axles must be removed. The dwelling must assume the characteristics of site-built housing. • The borrower must own the land on which the manufactured home is situated in fee simple • Unit must be at least 12 feet wide and have a minimum of 600 square feet of gross living area. Singlewide units must be located in a PERS approved project. • The manufactured home must be attached to a permanent foundation system in accordance with the manufacturer’s requirements for anchoring, support, stability, and maintenance. • The foundation system must be appropriate for the soil conditions for the site and meet local and state codes • The manufactured home must be permanently connected to a septic tank or sewage system, and to other utilities in accordance with local and state requirements

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	<ul style="list-style-type: none"> • If the property is not situated on a publicly dedicated and maintained street, then it must be situated on a street that is community owned and maintained, or privately owned and maintained. • There must be adequate vehicular access and there must be an adequate and legally enforceable agreement for vehicular access and maintenance. • Manufactured homes that have been structurally modified or have an addition are eligible with an engineer's report. • Condos permitted for Delegated Correspondents • The following manufactured home types are not permitted <ul style="list-style-type: none"> ○ Condos for Non-Delegated Correspondent ○ Mixed used ○ Leasehold ○ Deed restricted ○ Hobby farms ○ Manufactured homes located in a mobile home park ○ Non-Delegated Clients: Accessory Dwelling Units
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Section 3: Borrower Eligibility

3.1 Borrower Eligibility

Borrower Eligibility	<ul style="list-style-type: none"> • U.S. Citizens • Permanent resident alien • Non-permanent resident alien <ul style="list-style-type: none"> ○ Eligible Visa Types: E-1, E-2, E-3, E-3D, G-1*, G-2*, G-3*, G-4*, G-5*, H-1B, H-1B1, H-1B2, H-1B3, H-1C, H-4, L-1A, L-1B, L-2, O-1A, O-1B, TN *Note: Visas reflecting diplomatic immunity are not eligible, unless waived in writing by the country of origin. • Inter vivos revocable trust • All borrowers must have valid and verifiable Social Security Numbers, as well as a valid driver's license, state-issued ID, or passport. Other forms of taxpayer identification are not allowed. ITINs are not acceptable. • There can be no more than 4 borrowers per loan.
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3.2 Occupancy

Occupancy	<ul style="list-style-type: none"> • Primary residences • Second homes • Investment properties
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3.3 First-Time Homebuyer

First-Time Homebuyer	<p>Purchase Transactions 95.01-97% LTV/CLTV</p> <ul style="list-style-type: none"> • At least one borrower must be a first-time homebuyer. • When all borrowers are first-time homebuyers, at least one borrower must complete homebuyer education. See Fannie Mae Guide Section B2-2-06 or Freddie Mac Guide Section 5103.6 for homeownership education requirements.
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3.4 Non-Occupant Co-Borrowers

Non-Occupant Co-Borrowers	<ul style="list-style-type: none"> • DU and LPA Scored loans: Max LTV/CLTV/HCLTV <=95% • Non-occupant co-borrowers are not required to be on title.
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3.5 Power of Attorney

Power of Attorney	<p>Permitted on Purchase or Rate & Term Refinance transactions only. Generally, a Power of Attorney may be used for closing in the following scenarios:</p> <ul style="list-style-type: none"> • Incapacitated Borrower - the borrower is incapacitated and therefore unable to sign documents due to disability, legal incapability, or he/she lacks the physical ability;
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	<ul style="list-style-type: none"> ○ Incapacitated borrowers must occupy the property as their primary residence; the underwriter must validate occupancy and review for red flags within the loan file; ○ Example: verify the signer of the POA is not acting as a straw buyer or purchasing an investment property utilizing the incapacitated borrower’s credit. ● Military Personnel - the borrower is currently deployed or stationed overseas and is unable to sign documents or attend closing; ● Hardship Circumstance - the borrower is unable to attend closing because he/she is out of the state or country for an extended period, bedridden, in the hospital with a serious illness, or the borrower is incarcerated. <ul style="list-style-type: none"> ○ POA will not be permitted for borrowers that are on vacation ● Government Contractor – the borrower is employed by the government and currently working overseas <ul style="list-style-type: none"> ○ A letter from the borrower’s employer is required to verify overseas travel ● Business Reasons – permitted on Purchase and Rate/Term Refinance transactions when the spouse has Power of Attorney for the unavailable borrower <p>There are two (2) acceptable types of power of attorney. The following persons may sign security instruments on a borrower’s behalf:</p> <ul style="list-style-type: none"> ● Specific - this type of POA is specific to the mortgage transaction; therefore, the POA must specify the legal description, property address, and transaction type within the body of the document. It must be recorded at closing; ● General Military - this type of POA is generally used in situations where a borrower or his/her spouse may be deployed or is on active duty. <p>All loan files wishing to utilize a power of attorney require the following:</p> <ul style="list-style-type: none"> ● A Letter of Explanation from the borrower advising why the loan is closing with a POA ● Completed and Signed POA Form
3.6 Living Trust (Inter Vivos Revocable Trust)	
<p>Living Trust (Inter Vivos Revocable Trust)</p>	<p>A living trust (Inter Vivos Revocable Trust) is an eligible mortgage borrower if it meets the following requirements as well as State requirements. For loans underwritten by NewRez, trusts must be approved by NewRez legal prior to Loan Approval</p> <p>To determine whether the Trust meets all the criteria required by State and investor standards, one of the following will be required:</p> <ul style="list-style-type: none"> ● A copy of the trust document included in the file ● Exception: California, where a current (less than 1 year old) trust certification completed by the borrower may be provided in lieu of the full trust document. If this certification is incomplete or contrary to title results, the full trust documentation may still be required.
3.7 Non-Arm’s Length Transactions	
<p>Non-Arm’s Length Transactions (At-Interest Transactions)</p>	<p>Follow agency guidelines with the following exception:</p> <ul style="list-style-type: none"> ● Transactions where the loan originator is acting in another real estate related role with the following exceptions loan officers who are appropriately licensed in the state of CA or FL who are acting as the buyer’s agent. A copy of the FL Disclosure of Conflict of Interest or CA Dual Capacity Disclosure is required to be provided by the broker or correspondent.
3.8 Ineligible Borrowers	
<p>Ineligible Borrowers</p>	<ul style="list-style-type: none"> ● Borrowers with Diplomatic Immunity ● Borrowers with Deferred Action for Childhood (DACA) approval (EAD Category C33) ● Principals/Owners of NewRez Third Party Originators ● Individuals on the LPD/GSA exclusionary lists ● Life Estates
3.9 Maximum # of Financed Properties	

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<p>Maximum # of Financed Properties</p>	<p>DU scored loans</p> <ul style="list-style-type: none"> • If the mortgage is secured by the borrower’s principal residence, there are no limitations on the number of properties that the borrower can currently have financed. • If the mortgage is secured by a second home or an investment property, the borrower may own or be obligated on up to ten (10) financed properties (including his or her principal residence). • DU will calculate the required reserves. <p>LPA scored loans</p> <ul style="list-style-type: none"> • If the mortgage is secured by the borrower’s principal residence, there are no limitations on the number of properties that the borrower can currently be financing. • If the mortgage is secured by a second home or an investment property, each borrower individually and all borrowers collectively must not own and/or be obligated on (e.g., Notes, land contracts and/or any other debt or obligation) more than 10 (ten) 1- to 4-unit financed properties, including the subject property and the borrower's Primary Residence. • LPA will calculate the required reserves. The following are required in addition to those reserves calculated by LPA for Second Homes and Investment Properties <ul style="list-style-type: none"> ○ One (1) to six (6) financed properties require reserves of two (2) months of PITIA on each property ○ Seven (7) to ten (10) financed properties require: <ul style="list-style-type: none"> • LPA Accept • Minimum 720 credit score • Reserves of eight (8) months of PITIA on each property <p>These limitations apply to the borrower’s ownership in one-to four-unit properties or mortgage obligations on such properties and are cumulative for all borrowers. This limitation includes properties financed abroad.</p>
<p>Section 4: Collateral</p>	
<p>4.1 Eligible Properties</p>	
<p>Eligible Properties</p>	<ul style="list-style-type: none"> • Attached/Detached Single Family Residence • Attached/Detached PUDs • Low/Mid/High-Rise Condos and Site Condos • 2-4 Unit Properties • Manufactured Homes • Modular Homes • <u>Hobby Farms</u> as defined below • Nevada Condos <ul style="list-style-type: none"> ○ HOA dues for the subject unit must be current prior to closing ○ HOA may not be seller of the subject unit <p>Deed Restricted Properties: All deed restricted properties must be reviewed and approved prior to loan approval for Non-Delegated Correspondents; all agency requirements must be met.</p>
<p>4.2 Condos</p>	
<p>Condos</p>	<p>Project Review Department (PRD) will review projects for Non-Delegated Correspondents</p> <p>Condominiums must meet the following requirements.</p> <ol style="list-style-type: none"> 1) Fannie Mae or Freddie Mac project eligibility standards <ul style="list-style-type: none"> • https://www.fanniemae.com/singlefamily/project-eligibility • http://www.freddie.com/singlefamily/factsheets/sell/condo_projects.html

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	<p>2) Project review is not required for the following. Project Review Department will review master insurance and waive the applicable project review conditions. No HOA certification is required.</p> <ul style="list-style-type: none"> • Fannie Mae PERS approved projects • Fannie Mae to Fannie Mae or Freddie Mac to Freddie Mac rate and term refinances less than or equal to 80% LTV/CLTV/HCLTV. <ul style="list-style-type: none"> • Project Type Code V is required for condos approved as Fannie Mae. • Detached condos. • Special Feature Code 588 is required for condos approved as Fannie Mae. • Two- to four-unit condo projects <p>3) Projects requiring review: Findings must provide for the following review types:</p> <ul style="list-style-type: none"> • DU scored <ul style="list-style-type: none"> ○ Limited Review ○ CPM/Full Lender Review <ul style="list-style-type: none"> • Approval is valid for 90 days; after 90 days an updated Questionnaire and any other expired documentation must be provided • Required for new construction projects ○ LPA scored <ul style="list-style-type: none"> • Streamlined Review • Established Condominium Projects • New Condominium Projects • Reciprocal Project Reviews <p>New or Recently Converted Condos, Subdivisions or PUDs</p> <ul style="list-style-type: none"> • If there are no closed or settled sales inside the subject project, pending or under contract sales from the subject subdivision or project may be used as comparable sales as follows: <ul style="list-style-type: none"> ○ DU scored <ul style="list-style-type: none"> • Subdivisions or projects with 5 or more units: <ul style="list-style-type: none"> • Two of the comparable sales used must be pending (under contract) sales from the subject subdivision and three additional closed/settled comparable sales from outside the subject subdivision or project must also be used by the appraiser. • Subdivisions or projects with 2-4 units: <ul style="list-style-type: none"> • One of the comparable sales used must be a pending (under contract) sale from the subject subdivision or project (two if available); and three additional closed/settled comparable sales from outside the subject subdivision or project must also be used by the appraiser. ○ LPA scored <ul style="list-style-type: none"> • One of the comparable sales used must be a pending (under contract) sale from the subject subdivision or project; and three additional closed/settled comparable sales from outside the subject subdivision or project must also be used by the appraiser. • In the event the subject subdivision or project is so new that a closed sale or a contract sale is not available, comparable sales from outside the subject subdivision or project may be used. However, the appraiser must comment on the marketability of the new subdivision or project and justify and support the use of the comparable sales from outside the new subdivision or project. <p>Florida Condos</p> <ul style="list-style-type: none"> • New and newly converted condos require PERS approval (Section B4-2.2-04)
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	<ul style="list-style-type: none"> • PERS approval or a CPM/Lender Full Review may be used on established condo projects up to the matrix maximum LTVs (Section B4-2.2-04) • Limited/streamlined review on Existing Condos- LTV max is 75% primary/70% Second Home or investment <p>Ineligible Condo Characteristics</p> <ul style="list-style-type: none"> • Non-Incidental Business income more than 10%, up to 15% under expanded guidelines eligible by Fannie/Freddie • Live-work projects that do not meet Fannie/Freddie • Litigation that does not meet Fannie/Freddie eligibility exception guidelines • Priority lien exceeds Fannie/Freddie guidelines • Single Entity greater than <ul style="list-style-type: none"> ○ projects with 2 to 4 units – 1 unit ○ projects with 5 to 20 units – 2 units ○ projects with 21 or more units <ul style="list-style-type: none"> • 25% for LPA scored loans • 20% for DU scored loans • Commercial space exceeds 35% <ul style="list-style-type: none"> ○ Commercial parking facilities may be excluded from the calculation for DU scored loans only • Leasehold not permitted • Newly converted non-gut rehabilitation projects that are not PERS approved • New or Newly Converted projects in Florida that are not PERS approved • Projects with mandatory upfront or periodic membership fees for use of recreational amenities • A project may not be operated or managed as a hotel, motel, or similar commercial entity as evidenced by meeting one or more of the following criteria: <ul style="list-style-type: none"> ○ The HOA is licensed as a hotel, motel, resort, or hospitality entity. ○ The HOA or projects legal documents restrict owners' ability to occupy the unit during any part of the year. ○ The HOA or project's legal documents require owners to make their unit available for rental pooling (daily or otherwise). ○ The HOA or the project's legal documents require unit owners to share profits from the rental of units with the HOA, management company, or resort, or hotel rental company. ○ The following characteristics are red flags and may indicate the project is operating as a hotel or motel, which warrant further investigation. ○ Names that include the word "Resort," "Club," "hotel" or "motel" <p>Short-Term Rentals</p> <p>A Short-Term Rental (generally a rental period less than 30 days) does not disqualify a project from approval if the homeowner's association has absolutely no involvement in the facilitation of renting of units on a short-term basis.</p> <p>Typically, units that are being advertised for nightly or weekly rentals through any of the following sources are acceptable:</p> <ul style="list-style-type: none"> • Rental Agency • Vacation Club • Third Party Management Company • VRBO • Individual Unit Owners
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	<p>Established projects where the budget shows less than 5% of the overall income from non-incidentual business operations may be eligible for a loan level exception from Fannie Mae. The condo review team will submit the project through CVAS for an exception review. The cost for each review is \$200 regardless of the outcome and the process takes approx. 48-72 hours to complete.</p>
<p>4.3 Hobby Farms</p>	
<p>Hobby Farms</p>	<p>NewRez will accept properties that may have an additional use as a “hobby farm.” Examples of this would be a semi-rural or rural property, residential in nature, where some of the acreage is used to grow grapes, have a small orchard, or a small barn and riding rings, etc. The requirements for the property to be considered are:</p> <ul style="list-style-type: none"> • Property must be residential in nature, and single-family owner-occupied property • Appraiser must state property’s highest and best use is as residential and supply photos of the non-residential use • Property must be appraised as residential real estate, with commercial/agricultural value not included in the appraiser’s market value; appraiser must comment on any affect the commercial/agricultural use has on marketability and compatibility with the subject’s neighborhood; the market value of the property is primarily a function of its residential characteristics rather than of the business use • Agricultural use should generally not exceed 20% of the total acreage • Minimal outbuildings, such as small barns or stables, that are of relatively insignificant value in relation to the total appraised value, provided the outbuildings are typical of other residential properties in the subject area, and the appraiser can demonstrate (via comparable sales) that there is an active, viable market • Significant outbuildings, such as silos, large barns, storage areas, or facilities for farm-type animals may indicate that property is agricultural in nature, and regardless of whether the appraiser assigns a value, would be ineligible for financing • Income generated (gross, not net) should be minimal. (this is more telling than a loss because any loss is probably a write-off of more than just the hobby itself). <i>Any loss must be considered in the DTI</i> • Commercial use should not result in any significant alterations • The commercial/agricultural use must be allowed by zoning and the subject must conform to zoning.
<p>4.4 Ineligible Properties</p>	
<p>Ineligible Properties</p>	<ul style="list-style-type: none"> • Co-ops • Condotels • Manufactured homes that are leasehold • Manufactured Homes: Non-Delegated Clients: Accessory Dwelling Units • Properties appraised with a property condition of C5 or worse • Properties encumbered with private transfer fee covenants (title, sales contract or final CD should be evaluated to confirm) • Properties which are subject to a right of redemption • Unique properties (geodesic domes, berms, earth homes, barndominiums, shouses)
<p>4.5 Properties Previously Listed for Sale</p>	
<p>Properties Previously Listed for Sale</p>	<p>Fannie Mae only – For owner occupied refinance transactions, the listing must have been cancelled or expired prior to the disbursement date, and the borrower must confirm their intent to occupy the subject property.</p> <p>Careful consideration should be given to the listing price and appraised value to be sure the value is supported.</p> <p>Note: The definition of properties listed for sale includes non-owner-occupied properties where the current tenants have a lease-to-own provision in their lease; these transactions are ineligible.</p>

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4.6 Appraisals

Appraisals

All appraisals must be ordered and processed in compliance with Appraiser Independence Requirements (AIR).

- All loan files require a full appraisal or Appraisal Waiver/ACE (as permitted by the AUS)
- Copy of the appraiser’s licensee must be included in all funded loan files
- **Re-use of an appraisal is permitted with the following requirements**
 - Eligible for Rate & Term refinances only
 - May not payoff secondary financing (Freddie Mac only)
 - Since the effective date of the prior appraisal report, the subject property must not have undergone any significant remodeling, renovation or deterioration to the extent that the improvement or deterioration of the property would materially affect the market value of the subject property or have been affected by disaster to the extent that the improvement or deterioration of the property would affect marketability or value.
 - The borrower and lender must be the same on the original report and new transaction
 - The effective date of the appraisal report cannot be more than 12 months prior to the note date of the current transaction
 - If the effective date of the appraisal report is greater than 4 months from the note date of the current transaction an appraisal update is required
 - The appraisal update must reflect the current transaction information (current borrowers, transaction type, owner of record, client/lender, etc.)

New or Recently Converted Condos, Subdivisions or PUDs

- If there are no closed or settled sales inside the subject project, pending or under contract sales from the subject subdivision or project may be used as comparable sales as follows:
 - DU scored
 - Subdivisions or projects with 5 or more units:
 - Two of the comparable sales used must be pending (under contract) sales from the subject subdivision **and** three additional closed/settled comparable sales from outside the subject subdivision or project must also be used by the appraiser.
 - Subdivisions or projects with 2-4 units:
 - One of the comparable sales used must be a pending (under contract) sale from the subject subdivision or project (two if available); **and** three additional closed/settled comparable sales from outside the subject subdivision or project must also be used by the appraiser.
 - LPA scored
 - One of the comparable sales used must be a pending (under contract) sale from the subject subdivision or project; **and** three additional closed/settled comparable sales from outside the subject subdivision or project must also be used by the appraiser.
 - In the event the subject subdivision or project is so new that a closed sale or a contract sale is not available, comparable sales from outside the subject subdivision or project may be used. However, the appraiser must comment on the marketability of the new subdivision or project and justify and support the use of the comparable sales from outside the new subdivision or project.

Appraisal Waivers
Loans receiving a DU Approve/Eligible with Appraisal Waiver are permitted.

- The following are ineligible:
 - Construction and construction-to-permanent loans

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	<ul style="list-style-type: none"> • Two- to four-unit properties • Loan casefiles in which the value of the subject property provided to DU is \$1,000,000 or greater • Texas 50(a)(6) loans • Leasehold properties, community land trust homes, or other properties with resale restrictions • Manufactured homes • DU loan casefiles that receive an ineligible recommendation • Loans for which the mortgage insurance provider requires an appraisal • Loans for which rental income from the subject property is used to qualify • If the Appraisal Waiver is offered an appraisal should not be ordered unless there is reason to believe the property's current market value should be confirmed. For example, a property located in an area impacted by a recent disaster. • If an appraisal is obtained the appraised value must be used regardless of receiving an Appraisal Waiver eligible message. <p>Automated Collateral Evaluation Waivers (ACE)</p> <p>Loans receiving LPA Accept with an ACE Waiver are permitted.</p> <ul style="list-style-type: none"> • The following are ineligible: <ul style="list-style-type: none"> • LPA Caution • Investment properties • Mortgages secured by a manufactured home or leasehold estate • 2-4-unit properties • Mortgages secured by properties with re-sale restrictions • Construction conversion mortgages • Texas 50(a)(6) loans • Non-arm's length transactions • Purchases of REO properties • Mortgages with an estimated value or purchase price > \$1,000,000 • If the ACE is offered an appraisal should not be ordered unless there is reason to believe the property's current market value should be confirmed. For example, a property located in an area impacted by a recent disaster. • The age of the appraisal waiver is good for 120 days. If the offer is more than 120 days old as of the note date, a resubmission to LPA is required to determine the ongoing appraisal waiver eligibility • If an appraisal is obtained the appraised value must be used regardless of receiving an ACE eligible message. <p>Manufactured Housing</p> <p>All loan files require a full appraisal on form 1004C and include:</p> <ul style="list-style-type: none"> • manufacturer's name, • trade or model number, • year of manufacture, • serial number, • Certification Label number(s) from either the HUD Data Plate or Certification Label(s), • type of foundation and utility connections, • detailed and supported cost approach, • Opinion of the market value of the site, and property's conformity to the neighborhood. • Appraisal must contain a detailed and supported cost approach • The appraiser must indicate a value conclusion based solely on the real property as completed consisting of the
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	<ul style="list-style-type: none"> ○ manufactured home, ○ site improvements, and ○ land on which the home is situated. ○ The appraisal report must indicate whether the site is compatible with the neighborhood and must comment on the conformity of the manufactured home to other manufactured homes in the neighborhood. ○ The value conclusion cannot include any non-realty items including, but not limited to, insurance, warranties, and furniture.
4.7 Disaster Areas	
<p>Disaster Areas</p>	<p>Refer to the list of affected counties published by FEMA at the following link: https://www.fema.gov/disasters</p> <p>NewRez will require recertification from the appraiser on all loans located in the affected Counties prior to closing. If the county is indicated as being in a declared disaster area, the policy must be adhered to</p> <ul style="list-style-type: none"> ● The Disasters are referenced with both an incident start date and an incident ending date. The property is considered potentially impacted for 90 days from the incident END date; ● If a full appraisal was obtained on the property prior to the declared disaster, the inspection must verify the property is sound and habitable and in the same condition as when it was appraised. Any of the following options are acceptable to satisfy this requirement: <ul style="list-style-type: none"> ● Final Inspection or Appraisal Update signed by the original appraiser (Form 1004D) ● Desktop Underwriter Property Inspection Report (Form 2075) ● Disaster Area Inspection Report (DAIR) ● Full appraisals obtained after the declaration need to indicate the property has not been impacted by the disaster ● See NewRez Disaster Policy
4.8 Geographic Restrictions	
<p>Geographic Restrictions</p>	<p>Ineligible for NewRez Underwriting</p> <ul style="list-style-type: none"> ● Alaska ● Hawaii <p>Refinance of primary residence for nonprime (HPML) loans in CT with loan amounts <= \$417,000: Refer to 2.5 Refinances (General)</p>
Section 5: Income	
5.1 Income	
<p>Income</p>	<p>Income Documentation: Income documentation requirements are outlined below. Refer to Fannie Mae or Freddie Mac Selling Guides for any areas not addressed.</p> <p>Wage Earners</p> <ul style="list-style-type: none"> ● Most recent paystub including all year-to-date earnings dated no earlier than 30 days prior to the initial loan application date and most recent one- or two-years' W-2 as required by DU/LPA (W-2 transcripts are permissible in lieu of W-2s); or ● Income validation obtained through DU Validation Service; or ● Written Verification of Employment obtained through a 3rd party vendor such as, but not limited to TALX (The Work Number) except when: <ul style="list-style-type: none"> ○ The borrower works for an interested party to the transaction (tax return required) ○ The borrower works for a family member (tax returns required) <p>Note: For 3rd party verifications, information must be current as of 35 days from the date of the verification</p> <p>Self-Employed</p> <ul style="list-style-type: none"> ● Follow AUS tax return requirements.

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	<ul style="list-style-type: none"> ○ Documentation or evaluation is not required when a borrower or co-borrower is qualified using only income that is not derived from self-employment and self-employment is a secondary and separate source of income (or loss). <p>Amended Tax Returns- When tax returns are utilized for documenting income: (All Employment/Income Types):</p> <ul style="list-style-type: none"> ● Tax returns amended within 90 days prior to the application date or at any time during the loan process with NewRez are not permitted. ● Tax returns amended greater than 90 days prior to the application date are permitted however, both the original and amended return must be examined for consistency with the previous filings to determine whether the use of the amended return is warranted. The following documentation will be required: <ul style="list-style-type: none"> ○ A letter of explanation from the borrower detailing the reason for re-filing; ○ Evidence of re-filing via tax transcript of amended return; ○ Payment of and evidence of the ability to pay any applicable tax ● Borrowers starting employment after the note date are not permitted. <p>Refer to Freddie Mac’s Income Commencing after the Note Date</p> <ul style="list-style-type: none"> ● Option 1 permitted ● Option 2 not permitted <p>4506-T & Tax Transcript Requirements</p> <ul style="list-style-type: none"> ● Prior to Underwriting (NewRez underwritten loans) <ul style="list-style-type: none"> ○ 4506-T must be signed for each borrower whose income is documented with tax returns and used for qualification. ● At Closing (all loans) <ul style="list-style-type: none"> ○ 4506-T for each borrower whose income is used to qualify must be signed at closing. <ul style="list-style-type: none"> ● Borrower(s) whose income has been validated through DU validation service or LPA AIM must sign IRS Form 4506-T at closing even if DU or LPA waives the requirement ○ 4506-T for the business tax return transcript(s) must be signed at closing when the business returns are used for qualification.
5.2 Verification of Employment	
Verification of Employment	<p>Wage Earner A verbal verification of employment dated within 10 business days of the note date is required for all non-self-employed borrowers. The verification of employment must include the phone number contacted to complete the verbal, which must be documented as associated with the business. In addition, the verification should be completed through the Human Resource Department of the employer, the owner of the company or direct supervisor for small businesses.</p> <p>Self-Employed Borrower The existence of the borrower’s business must be validated within 120 calendar days of the note. This can be accomplished through a third party, such as a CPA, regulatory agency, or the applicable licensing bureau, AND by verifying a phone listing and address for the borrower’s business using a telephone book, the internet, or directory assistance.</p>
5.3 Alimony and Child Support Income	
Alimony and Child Support	Document that alimony or child support will continue to be paid for at least three years after the date of the mortgage application, as verified by one of the following:

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	<ul style="list-style-type: none"> • A copy of a divorce decree or separation agreement (if the divorce is not final) that indicates payment of alimony or child support and states the amount of the award and the period over which it will be received. • Any other type of written legal agreement or court decree describing the payment terms for the alimony or child support. • Document receipt of six months
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Section 6: Credit

6.1 Credit

Credit	<ul style="list-style-type: none"> • AUS Credit Score <ul style="list-style-type: none"> • All borrowers must have a credit score • Follow DU Approve/Eligible • Follow LPA Accept <p>Credit Report Requirements</p> <ul style="list-style-type: none"> • A Tri-merge Credit Report is required for every borrower who executes the Note. The Credit Report should generally include verification of all credit references provided on the loan application and must certify the results of public record searches for each city where the Borrower has resided in the past two years. • Revolving debt may be paid off to qualify. The debt must be paid off at or prior to closing and the account does not have to be closed. Debts paid at closing must be reflected on the Closing Disclosure. • All credit inquiries within 90 days of the credit report are required to be addressed by the customer – see Credit Attestation Policy <p><u>Derogatory Credit</u></p> <ul style="list-style-type: none"> • Follow AUS findings as to any debt that should be paid, and for housing payment history • All judgments and liens must be paid at or before closing • For forgiveness of debt, modifications, bankruptcies, foreclosures, and short sales, follow agency guidelines. <p>For NewRez underwritten loans, the Correspondent is responsible to obtain a single repository refreshed credit report as close to closing as possible but within 10 days of closing.</p>
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6.2 Qualifying Ratios

Qualifying Ratios (Qualifying Interest Rate)	<ul style="list-style-type: none"> • Transactions resulting in significant payment shock should always be considered by the underwriter. The borrower’s income must clearly support the borrower’s ability to make the higher monthly payment. It is always at the underwriter’s discretion to require additional verification of assets or a larger down payment as a compensating factor for a loan with high payment shock. • If a revolving account balance is to be paid off at or prior to closing, a monthly payment on the current outstanding balance does not need to be included in the borrower’s long-term debt, i.e., not included in the DTI. Such accounts do not need to be closed as a condition of excluding the payment from the DTI ratio. <p>Qualifying Rate</p> <ul style="list-style-type: none"> • Fixed Rate: Note Rate <p>Housing Payment Ratio</p> <p>The monthly housing expense is the sum of the following charges as they apply to any properties owned and financed by the borrower:</p> <ul style="list-style-type: none"> • Monthly principal and interest payment as per the qualifying rate
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	<ul style="list-style-type: none"> • 1/12th of the annual hazard insurance premium and any other insurance required by loan program. • 1/12th of the annual real estate taxes. • 1/12th of the annual flood insurance premium, when applicable. • Monthly leasehold payments, when applicable. • Monthly homeowner association dues, condominium maintenance fees and monthly assessments (when applicable). • Monthly payment for other secured financing (when applicable). • Special assessment <p>Total Debt Ratio</p> <ul style="list-style-type: none"> • Monthly housing expense as per qualifying rate. • Outstanding monthly obligations such as: <ul style="list-style-type: none"> • Installment debt • Revolving debt payments • Alimony, child support or maintenance payments • Losses associated with other real estate owned • Other obligations where a monthly payment is legally required
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6.3 Borrowers Retaining their Current Primary Residence

Borrowers Retaining their Current Primary Residence	<p>When a borrower is purchasing a new home and retaining his/her current residence, it is often a source of concern for occupancy fraud and potential risk to the company. The underwriter must review the application and supporting documentation to determine if any red flags are present and that the reserve/equity requirements are met.</p> <p>The borrower(s) must sign the Occupancy Affidavit Form prior to closing</p>
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6.4 Conversion of Primary Residence to a 2nd Home or Investment Property

Conversion of Primary Residence to a 2 nd Home or Investment Property	<p>See agency guidelines for specific requirements on qualifying ratios, use of rental income from converted property and reserve requirements.</p>
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6.5 Current Principal Residence Pending Sale

Current Principal Residence Pending Sale	<ul style="list-style-type: none"> • In instances where the borrower’s current primary residence is pending sale, but the sale will not be finalized prior to the new loan’s closing, the PITIA of the current principal residence must be included in the borrower’s debt ratios, except when the following documentation is provided: <ul style="list-style-type: none"> • the executed sales contract for the current residence, and • confirmation that any financing contingencies have been cleared.
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6.6 Student Loans

Student Loans	<p>For all student loans, whether deferred, in forbearance, or in repayment (not deferred), the lender must use the following to determine the monthly payment to be used as the borrower’s recurring monthly debt obligation :</p> <p><u>LPA Scored</u></p> <ul style="list-style-type: none"> • For student loans in repayment, deferment, or forbearance: <ul style="list-style-type: none"> • If the monthly payment amount is greater than zero, use the monthly payment amount reported on the credit report or other file documentation, or
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	<ul style="list-style-type: none"> If the monthly payment amount reported on the credit report is zero, use 0.5% of the outstanding loan balance, as reported on the credit report Payment may be excluded if: <ul style="list-style-type: none"> Borrower currently meets student loan forgiveness, cancellation or discharge requirements, and there are no indications circumstances would make the borrower ineligible in the future. Evidence of eligibility or approval must come from the student loan program or the employer as applicable, and <ul style="list-style-type: none"> Student loan has 10 or less monthly payments remaining OR Full balance of the student loan will be forgiven, canceled, discharged, or in the case of an employment-contingent repayment program, paid at the end of the deferment or forbearance period <p><u>DU Scored</u></p> <ul style="list-style-type: none"> If a monthly payment is provided on the credit report, the amount appearing on the credit report may be used If the credit report does not provide a monthly payment for the student loan, or if the credit report shows \$0 as the monthly payment (which may be the case for deferred loans or loans in forbearance), one of the following must be used: <ul style="list-style-type: none"> 1% of the outstanding balance even if this amount is lower than the actual fully amortizing payment or A fully amortizing payment using the documented loan repayment terms \$0 payment for student loans when documentation is obtained to evidence the actual monthly payment is \$0 provided the payment is associated with an income-driven repayment plan.
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Section 7: Assets

7.1 Assets

Assets	Assets must be verified as noted by the AUS.
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7.2 Cash Reserves

Cash Reserves	<p>Transactions should follow the agency guidelines in terms of cash reserves.</p> <p>Note: The agencies have specific cash reserve requirements for 2-4-unit properties, second homes and investment properties; including a requirement of specific reserves for each property where the borrower has multiple financed properties.</p>
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7.3 Gifts

Gifts	Follow Agency guidance
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7.4 Seller/Interested Party Contributions

	Occupancy	LTV/CLTV	Max IPC
Seller/Interested Party Contributions	Primary Residence or Second Home	> 90%	3%
		75.01 -90%	6%
		≤ 75%	9%
	Investment Property	All	2%

7.5 Down payment Assistance Programs

Down payment Assistance Programs	<p>Down Payment Assistance programs are permitted</p> <p>NewRez must approve for Non-Delegated Correspondents</p>
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7.6 Ineligible Assets

Ineligible Assets	<ul style="list-style-type: none"> Cash advance on a revolving charge account Cash for which the source cannot be verified (e.g., garage sales) Custodial accounts (UTMA/UGMA) Donated funds in any form, such as cash or bonds donated by the seller, builder or selling agent outside of approved financing
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	<ul style="list-style-type: none"> • Cryptocurrency (e.g., Bitcoin) • Gifts that must be repaid in full or in part • Personal unsecured line of credit or loan • Salary advance • Sweat equity
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Section 8: Procedures

8.1 Age of Documentation

Age of Documentation	Income and asset documentation must be 60 days old as of the Note date.
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8.2 Electronic Signatures

Electronic Signatures	<p>NewRez will accept electronic signatures on third party documents in accordance with Electronic Signatures in Global and National Commerce Act (ESIGN) and the Uniform Electronic Transactions Act (UETA), as applicable.</p> <p>The electronic signature and date must be clearly visible when viewed electronically and in a paper copy of the electronically signed document.</p> <p>Electronic signatures are not permitted for any final documents including but not limited to the note, mortgage, final 1003, etc.</p>
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8.3 Escrows (Taxes and Insurance)

Escrows	<p>Escrows may be waived when the LTV is less than 80% and</p> <ul style="list-style-type: none"> • the borrower is not a first-time homebuyer <ul style="list-style-type: none"> • FTHBs will be considered on a case-by-case basis with a demonstrated ability to save (reserves) and strong residual income. • the borrower does not exhibit recent signs of delinquency <p>For Rate & Term Refinance Transactions the following restrictions also apply:</p> <ul style="list-style-type: none"> • the borrower may not finance the payment of real estate taxes that are more than 60 days delinquent for the subject property in the loan amount, regardless of whether they waive escrows <p>For Cash-out Refinance Transactions the following restrictions also apply:</p> <ul style="list-style-type: none"> • The new loan amount may not include the financing of real estate taxes that are more than 60 days delinquent, unless requiring an escrow account is not permitted by applicable law or regulation. For example, if a state law does not allow a lender to require an escrow account under certain circumstances, the loan would be eligible without an escrow account. <p>In all states, except CA, no exceptions are permitted if the LTV is > 80% (see waiver eligibility grid below).</p>
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8.4 Escrow Waiver Grid

Escrow Waiver Grid	Escrow Waiver Eligibility		
	Primary Residence	Second Home	Investment Property
	All states excluding CA and NM: LTV ≤ 80%	All states excluding CA: LTV ≤ 80%	All states LTV ≤ 80%
	California: LTV < 90%	California: LTV < 90%	
	New Mexico: LTV < 80%		

8.5 Escrow Holdbacks

Escrow Holdbacks	See Chapter 16 of the Client Guide
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8.6 Excluded Parties- LDP/GSA Searches

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<p>Excluded Parties- LDP/GSA Searches</p>	<p>All loans require confirmation that companies or individuals involved in the origination or underwriting of a mortgage transaction are not on the Freddie Mac Exclusionary List, General Services Administration (GSA) excluded party list or the HUD Limited Denial Participation (LDP). Regardless of the reason for the party being excluded, any party to the transaction included on either list will result in the loan being ineligible for delivery.</p> <p>All name variations found throughout the loan file must be run when performing the searches. The search must be run on the following parties in the transaction:</p> <ul style="list-style-type: none"> • Borrowers • Seller • Builder • Listing Agent & Listing Company • Selling Agent & Selling Company • Title Agent • Title Company • Closing Attorney • Appraiser and Appraisal Company
<p>8.7 Interest Credit</p>	
<p>Interest Credit</p>	<p>Permitted on purchases and refinances; must fund by the 5th calendar day</p>
<p>8.8 Mortgage Insurance</p>	
<p>Mortgage Insurance</p>	<ul style="list-style-type: none"> • LTVs greater than 80% require approval through an MI company. Additional guidelines and restrictions outside of this manual and its matrix may apply. Refer to MI company specific guidelines. • Mortgage Insurance companies may have additional overlays other than those established by the agencies and NewRez. A valid MI certification must be obtained prior to CTC. <p>Approved MI Companies: Essent, Genworth, MGIC, NMI, Radian, and Arch/United Guaranty</p> <ul style="list-style-type: none"> • Policies may be refundable or non-refundable and require zero initial premium (ZIP/ZOMP) • Borrower Paid Mortgage Insurance <ul style="list-style-type: none"> ○ Monthly plans ○ Single-premium plan ○ Financed MI <ul style="list-style-type: none"> ▪ 1-unit ▪ Primary residence and second homes ▪ Purchase and Rate & Term Refinance ▪ MI coverage is based on LTV excluding financed premium ▪ LTV including financed premium may not exceed LTV limitations for product ▪ LPA with gross LTV > 95%, except for HomeOnesm mortgages • Lender Paid Mortgage Insurance (LPMI) <ul style="list-style-type: none"> ○ Client ordered (Lender Paid Single Premium (LPSP)) <ul style="list-style-type: none"> ▪ MI coverage must be activated and the premium must be remitted to the MI company prior to purchase by NewRez ▪ Do not use LPMI product codes ○ NewRez ordered LPMI <ul style="list-style-type: none"> ▪ NewRez will order Mortgage Insurance ▪ Use one of the following product codes: <ul style="list-style-type: none"> • Y59 15 Yr Fannie/Freddie Fixed LPMI • Y50 30 Yr Fannie/Freddie Fixed LPMI • Y60 15 Yr Fannie Fixed High-Balance LPMI • Y32 30 Yr Fannie Fixed High-Balance LPMI • FF2 15 Yr Freddie Mac Eligible Fixed LPMI

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	<ul style="list-style-type: none"> • FF3 30 Yr Freddie Mac Eligible Fixed LPMI • Y64 15 Yr Super Conforming LPMI Freddie Mac Eligible Fixed • Y57 30 Yr Super Conforming LPMI Freddie Mac Eligible Fixed ○ Lender Paid Disclosure must be provided to the borrower by the Correspondent • Not permitted <ul style="list-style-type: none"> ○ Annual plans ○ Lender Annual paid ○ Lender-paid monthly policies ○ Split Premium • NewRez accepts only standard coverage amounts. Reduced, lower cost, and minimum MI as approved by DU/LPA are not eligible. 																								
Standard Coverage																									
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center;">>20 Years</th> <th colspan="2" style="text-align: center;">≤ 20 Years</th> </tr> <tr> <th style="text-align: center;">LTV</th> <th style="text-align: center;">Coverage</th> <th style="text-align: center;">LTV</th> <th style="text-align: center;">Coverage</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">80.01% - 85%</td> <td style="text-align: center;">12%</td> <td style="text-align: center;">80.01% - 85%</td> <td style="text-align: center;">6%</td> </tr> <tr> <td style="text-align: center;">85.01% - 90%</td> <td style="text-align: center;">25%</td> <td style="text-align: center;">85.01% - 90%</td> <td style="text-align: center;">12%</td> </tr> <tr> <td style="text-align: center;">90.01% -95%</td> <td style="text-align: center;">30%</td> <td style="text-align: center;">90.01% -95%</td> <td style="text-align: center;">25%</td> </tr> <tr> <td style="text-align: center;">95.01% – 97%</td> <td style="text-align: center;">35%</td> <td style="text-align: center;">95.01% – 97%</td> <td style="text-align: center;">35%</td> </tr> </tbody> </table>		>20 Years		≤ 20 Years		LTV	Coverage	LTV	Coverage	80.01% - 85%	12%	80.01% - 85%	6%	85.01% - 90%	25%	85.01% - 90%	12%	90.01% -95%	30%	90.01% -95%	25%	95.01% – 97%	35%	95.01% – 97%	35%
>20 Years		≤ 20 Years																							
LTV	Coverage	LTV	Coverage																						
80.01% - 85%	12%	80.01% - 85%	6%																						
85.01% - 90%	25%	85.01% - 90%	12%																						
90.01% -95%	30%	90.01% -95%	25%																						
95.01% – 97%	35%	95.01% – 97%	35%																						
8.9 Rent Loss Insurance																									
Rent Loss Insurance	Not required																								
8.10 Title Insurance																									
Title Insurance	<p>The title policy must be in the lender’s name and/or its assigns. Title must be vested in the borrower’s name, in the name of an eligible inter vivos trust (if permitted per program guides), or, in the case of a purchase, be currently vested in the seller’s name with a requirement for a deed to be recorded transferring title to our borrower’s name at closing.</p> <p>The insured amount of the policy must be at least for the gross loan amount and the policy must be dated within 45 days of closing. A minimum of a twelve-month title chain must be provided on each policy. The chain of title will be reviewed for flips, unacceptable exceptions to clear title, unacceptable private transfer fees or any other adverse title impediment as part of the underwriting process.</p> <p>Manufactured Housing ALTA Endorsement 7, 7.1, or 7.2 or any other endorsement required in the applicable jurisdiction for manufactured homes to be treated as real property must be included in the file.</p> <p>A summary reference to existing state conversion can be located in the NewRez MH State Conversion Statutes Reference Document. (will this link work on our external site) Mike can link</p>																								
8.11 Mortgagee Clause																									
Mortgagee Clause	<p>NewRez LLC ISAOA/ATIMA PO Box 7050 Troy, MI 48007-7050</p> <p>Note: NewRez does not have to be named in the mortgagee clause on a project’s master insurance policy for Condos, and PUDs.</p>																								
Section 9: References																									
9.1 References																									
References	<ul style="list-style-type: none"> • Fannie Mae Guidelines 																								

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- [Freddie Mac Guidelines](#)
- [Limited Denial of Participation \(LDP\) List](#)
- [General Services Administration \(GSA\) Exclusionary List](#)

Section 10: Version Control

2.15 Manufactured Homes	Manufactured homes that have been structurally modified or have an addition are eligible with an engineer's report.	January 24, 2020
2.7 Refinances (General)	Added requirements for primary residence nonprime HPML refinances in CT with loan amounts <= \$417,000	January 24, 2020
4.8 Geographic Restrictions	Added CT HPML refinance verbiage	January 24,2020
2.2 Eligible Terms and Programs	Realigned Custom Loan Terms	January 24,2020
2.15 Manufactured Homes	Permit singlewide manufactured homes in a Fannie Mae PERS approved project in compliance with Fannie Mae and Freddie Mac requirements	February 24, 2020
4.4 Ineligible Properties	Added Co-ops, barndominiums and shouses as ineligible unique properties	February 24, 2020
5.1 Income	Added 4506 T requirements for NewRez underwritten loans	February 24, 2020
4.5 Properties Previously Listed for Sale	Properties listed for sale must be taken off the market prior to the disbursement date for Fannie Mae refinance transactions.	February 24, 2020
4.6 Appraisals	Added expanded eligibility for ACE Appraisal Waivers	April 1, 2020
8.1 Age of Documentation	Added income and asset documentation must be 60 days old as of Note date.	April 14, 2020
Eligibility Matrix	Primary Cash- out Credit Score -640 Second Home and Investment Property Cash- out-700	May 28,2020
Eligibility Matrix	Removed ARMS as ARMS are now ineligible	May 28,2020
Eligibility Matrix	Removed Manual Underwrite as not permitted	May 28,2020
1.2 Underwriting	Removed Manual Underwrite references and stated Manual Underwrite ineligible	May 28, 2020
1.3 Ineligible Programs	Added Arms as ineligible	May 28,2020
2.2 Eligible Terms and Programs	Removed ARMS	May 28,2020
3.4 Non-Occupant Co-Borrowers	Removed Manual Underwrite information	May 28,2020
6.1 Credit	Removed Manual UW and Non- Traditional Credit information	May 28,2020
6.2 Qualifying Ratios	Removed ARM references	May 28,2020
2.3 ARM Adjustments	Removed this section	May 28,2020
5.4 Rental Income Short Term Air-bnb removed	Remove Short Term Airbnb	May 28,2020
Eligibility Matrix	Cash-Out Credit Score updated to 640 for all occupancies	July 13 2020
Manufactured Home Eligibility Matrix	<ul style="list-style-type: none"> • Updated Credit Score to 640 • Removed 10 or 25 year fixed not permitted as we permit 10-30 years in annual increments 	July 13, 2020
Freddie Mac Eligibility Matrix	Removed Follow AUS from Credit Score and replace with 620	July 13, 2020
1.1 Program Summary	Realigned verbiage	July 13, 2020
1.3 Ineligible Programs	Fannie Mae Rural High Needs Appraisal Waiver	July 13, 2020

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Information is accurate as of the date of publishing and is subject to change without notice. The overlays outlined in this matrix apply to agency loans submitted to DU/LPA. In addition to applying these NewRez specific overlays. All loans submitted to DU must comply with the DU Findings and Fannie Mae requirements and that all loans submitted to LPA comply with the LPA Findings and Freddie Mac requirements. This document should not be relied upon or treated as legal advice. Guidelines subject to change without notice; Printed copies may not be the most current version.

For the most current version, always refer to the online version.

2.2 Eligible Terms and Programs	Added product codes-Removed Custom Loan Terms	July 13, 2020
2.5 Loans Securing HomePath Properties	Removed	July 13, 2020
2.6 Refinances(General)	Updated NTB information Removed Limited Cash-out Manufacture Home information	July 13, 2020
3.8 Ineligible Borrowers	Remove Employees /Family Members	July 13, 2020
3.9 Maximum # of financed properties	Removed Reserve information as DU and LPA will calculate	July 13, 2020
4.1 Eligible Properties	Added Non Delegated Clients to Deed Restricted Properties	July 13, 2020
4.6 Appraisals	Appraisal Waiver-Removed Properties located in a disaster impacted area ineligible. Removed LTV/CLTV information for Appraisal Waiver and ACE as this is Standard Guidance	July 13, 2020
4.8 Geographic Restrictions	Ineligible for NewRez Underwriting <ul style="list-style-type: none"> Alaska Hawaii 	July 13, 2020
5.1 Income	Fannie Mae Employment Offers and Contracts not permitted Freddie Mac Income Commencing after Note Date Option 2 not permitted	July 13, 2020
5.3 Assets used for Qualifying Income	Removed this section	July 13, 2020
6.1 Credit	For NewRez underwritten loans, the Correspondent is responsible to obtain a single repository refreshed credit report as close to closing as possible but within 10 days of closing.	July 13, 2020
6.6 Student Loans	Remove Medical Doctor and Dentist information	July 13, 2020
8.3 Escrows Taxes and Insurance	For Rate & Term Refinance remove below restriction: <ul style="list-style-type: none"> The borrower may not finance the payment of real estate taxes for the subject property in the loan amount and waive escrows 	July 13, 2020
8.4 Escrow Waiver Grid	Updated information for Second home and Investment property	July 13, 2020
8.5 Escrow Holdbacks	See Chapter 16 of the Client Guide	July 13, 2020
8.8 Mortgage Insurance	Added information	July 13, 2020
Section 9 Corporate Relocation	Removed this section	July 13, 2020
2.13 Manufactured Homes	Condos permitted for Delegated Clients	July 13, 2020
Matrices	Added DTI section and West Virginia DTI information	August 11, 2020
2.4 Principal Curtailments/Reductions	Clarification update	August 11, 2020
2.2 Eligible Terms and Programs	Added LPMI product codes	September 21, 2020
8.8 Mortgage Insurance	Added LPMI product codes and information Split Premium is not permitted as Servicing cannot support	September 21, 2020
3.1 Borrower Eligibility	Added Eligible Visa Types for Non-Permanent Resident Aliens	September 28, 2020
2.13 Manufactured Housing	Non Delegated Clients: ADU not permitted	September 28, 2020
4.4 Ineligible Properties	Manufactured Homes Non Delegated Clients: ADU not permitted	September 28, 2020

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Section 11: Appendix

Underwriting Topic	FNMA Selling Guide Locations	Freddie Mac All-Regs Location Use the Single Family Seller/Servicer Guide
Appraisal- Age	Click Here	Chapter 5600: Property Eligibility Chapter 5601: Property and Appraisal Requirements Chapter 5601.8 - Age of Appraisal Reports and Appraisal Updates
Assets- Retirement Accounts	Click Here	Ch. 5501.3: Asset Eligibility and Documentation Requirements
Authorized Users	Click Here	Chapter 5201.1 - Credit Assessment with Loan Product Advisor Chapter 5203.2 - Credit Scores
Condo – Project Eligibility	Click Here	Chapter 5701: Condominiums
Condos - Florida	Click Here	Chapter 5701: Condominiums Chapter 5701.3: Ineligible projects Chapter 5701.4: Streamlined reviews
Credit and Tradeline Requirements	Click Here	Chapter 5200: Credit Assessment Chapter 5201.1: Credit Assessment with LPA Chapter 5203- Credit Reports and Credit Scores
Delayed Financing	Click Here	Chapter 4000: Mortgage Eligibility Chapter 4301: Refinance Mortgages Chapter 4301.2 – General Requirements for all refinance mortgages Chapter 4301.4 – No cash-out refinance Mortgages Chapter 4301.5- Cash-out refinance mortgages
Departure Residence	Click Here	Chapter 5401.2: Monthly debt to income ratio
Derogatory Credit – Waiting Periods	Click Here	Chapter 5200: Credit Assessment Chapter 5201.1: Credit Assessment with LPA Chapter 5203- Credit Reports and Credit Scores
Disputed Credit	Click Here	Chapter 5200: Credit Assessment Chapter 5201.1: Credit Assessment with LPA Chapter 5203- Credit Reports and Credit Scores
Flip Policy	Click Here	No Flip Policy but use this for guidance: Archive of Single-Family Seller/Servicer Guide - Bulletins and Industry Letters Bulletins and Industry Letters for 2013 and Prior Years Bulletins and Industry Letters for 2012 and Prior Years 2009 Bulletins and Industry Letters Bulletin 2009-24: Credit and Property Eligibility Attachment A: Best Practices for Loans involving Possible Property Flips
Gifts <i>Also see Minimum Borrower Contribution</i>	Click Here	Ch. 5501.3: Asset Eligibility and Documentation Requirements
Gifts of Equity	Click Here	Ch. 5501.3: Asset Eligibility and Documentation Requirements
Glossary	Click Here	See: Glossary under Exhibits, Forms, Glossary and Directory
Income Sources (including non-taxable)	Click Here	Chapter 5300: Stable Monthly Income and Asset Qualification Sources
Judgments, Garnishments, Collection Accounts	Click Here	Chapter 5200: Credit Assessment Chapter 5201.1: Credit Assessment with LPA Chapter 5203- Credit Reports and Credit Scores
Maximum Number of Financed Properties	Click Here	Chapter 4201.15: Second Home Mortgages Chapter 4201.16: Investment Property mortgages Chapter 5501.2: Reserves
Minimum Borrower Contribution	Click Here	Chapter 5501.1: Funds required for the Mortgage transaction

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Non-Arm's Length Transactions	Click Here	Chapter 5600: Property Eligibility Chapter 5601.1: Property and Appraisal Requirements Chapter 5601.12 - Property Description and Analysis
Non-Occupant Co-Borrowers	Click Here	Chapter 5103.1: Mortgages including a non-occupying Borrower Chapter 5401.1 & 5401.2: Monthly Housing and Monthly Debt to income ratio Chapter 5501.3 – Asset eligibility and documentation requirements
Non-Permanent Resident Aliens / Permanent Resident Aliens	Click Here	Chapter 5103.2: Permanent and non-permanent resident alien
Paying-off Debt to Qualify	Click Here	Chapter 5401.2 - Monthly debt payment-to-income ratio
Rental Income	Click Here	Chapter 5306.1 - Rental Income
Reserve Requirements	Click Here	Chapter 5501.2 - Reserves
Self-Employed (less than 2 years)	Click Here	Chapter 5304.1 - Stable Monthly Income

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