



Conforming Product Profile: Correspondent

Newrez overlays are identified with yellow highlighting

FANNIE MAE (DU) STANDARD and HIGH-BALANCE ELIGIBILITY MATRIX						
Excludes Manufactured Housing and Co-ops						
Units	Transaction Type	Occupancy	Credit Score ¹	Fixed Rate	ARM	DTI
				LTV/CLTV	LTV/CLTV	
1	Purchase Rate & Term Refi	Primary Residence	620	97% ²	95%	Follow DU ⁴
1				95% ³		
2				85% ³	85%	
3-4				75% ³	75%	
1	Cash-out Refi	620	80%	80%		
2-4			75%	75%		
1	Purchase Rate & Term Refi	Second Home	620	90%	90%	
1	Cash-out Refi		620	75%	75%	
1	Purchase	Investment Property	620	85%	85%	
2-4				75%	75%	
1-4	Rate & Term Refi		620	75%	75%	
1	Cash-out Refi		620	75%	75%	
2-4		70%	70%			

¹ When there are two or more borrowers, the minimum credit score is 580 with a DU Approve/Eligible

- LPMI products require a minimum 620 credit score

² 95.01%-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
- The following are not permitted with an LTV > 95%
 - High-Balance
 - Non-occupant co-borrowers

³ Fannie Mae Community Seconds

- Fannie Mae Conforming Fixed Rate
- Maximum 95% LTV or program maximum
- Maximum 105% CLTV
- 1-4 units
- High-Balance not permitted

⁴ West Virginia: Max 50% DTI

Information is accurate as of the date of publishing and is subject to change without notice. The overlays outlined in this matrix and on our overlay matrix apply to agency loans submitted to DU/LPA. In addition to applying 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



Conforming Product Profile: Correspondent

Newrez overlays are identified with yellow highlighting

FREDDIE MAC (LPA) STANDARD and SUPER CONFORMING ELIGIBILITY MATRIX						
Excludes Manufactured Housing and Co-ops						
Units	Transaction Type	Occupancy	Credit Score	Fixed Rate	ARM	DTI
				LTV/CLTV	LTV/CLTV	
1	Purchase Rate & Term Refi	Primary Residence	620	97% ¹	95%	Follow LPA ²
1				95%		
2				85%	85%	
3-4				80%	80%	
1	Cash-out Refi	620	80%	80%		
2-4			75%	75%		
1	Purchase Rate & Term Refi	Second Home	620	90%	90%	
1	Cash-out Refi		620	75%	75%	
1	Purchase Rate & Term Refi	Investment Property	620	85%	85%	
2-4				75%	75%	
1	Cash-out Refi		620	75%	75%	
2-4				70%	70%	

¹ 95.01%-97% LTV/CLTV (HomeOne Mortgage)

- Freddie Mac Conforming Fixed Rate
- 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](#)
- Super Conforming not permitted
- Non-occupant co-borrower not permitted

² West Virginia: Max 50% DTI

Information is accurate as of the date of publishing and is subject to change without notice. The overlays outlined in this matrix and on our overlay matrix apply to agency loans submitted to DU/LPA. In addition to applying 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



Conforming Product Profile: Correspondent

Newrez overlays are identified with yellow highlighting

MANUFACTURED HOUSING ELIGIBILITY MATRIX						
FANNIE MAE DU						
Units	Transaction Type	Occupancy	Credit Score ¹	Fixed Rate	ARM	DTI
				LTV/CLTV	LTV/CLTV	
1	Purchase Rate & Term Refi	Primary Residence	620	95%	95%	Follow DU ³
	Cash-out Refi ²			65%	NA	
	Purchase Rate & Term Refi	Second Home		90%	90%	

¹ When there are two or more borrowers, the minimum credit score is 580 with a DU Approve/Eligible

- LPMI products require a minimum 620 credit score

² Cash-out-Refi

- Maximum Fixed Rate 20-year term
- Not permitted
 - 5/6 ARM

³ West Virginia: Max 50% DTI

MANUFACTURED HOUSING ELIGIBILITY MATRIX						
FREDDIE MAC LPA						
Units	Transaction Type	Occupancy	Credit Score	Fixed Rate	ARM	DTI
				LTV/CLTV	LTV/CLTV	
1	Purchase Rate & Term Refi	Primary Residence	620	95%	95%	Follow LPA ²
	Cash-out Refi ¹			65%	NA	
	Purchase Rate & Term Refi	Second Home		85%	85%	

¹ Cash-out-Refi

- Maximum Fixed Rate 20-year term
- Not permitted
 - 5/6 ARM
 - LPA Super Conforming

² West Virginia: Max 50% DTI

Information is accurate as of the date of publishing and is subject to change without notice. The overlays outlined in this matrix and on our overlay matrix apply to agency loans submitted to DU/LPA. In addition to applying 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



Conforming Product Profile: Correspondent

Newrez overlays are identified with yellow highlighting

CO-OP ELIGIBILITY MATRIX						
FANNIE MAE DU ²						
Units	Transaction Type	Occupancy	Credit Score ¹	Fixed Rate	ARM	DTI
				LTV	LTV	
1	Purchase Rate & Term Refi	Primary Residence	620	95%	95%	Follow DU
	Cash-out Refi		620	80%	80%	
	Purchase Rate & Term Refi	Second Home	620	90%	90%	
FREDDIE MAC LPA						
Units	Transaction Type	Occupancy	Credit Score	Fixed Rate	ARM	DTI
				LTV/CLTV ³	LTV/CLTV ³	
1	Purchase Rate & Term Refi	Primary Residence ³	620	95%	95%	Follow LPA
	Cash-out Refi		620	80%	80%	
	Purchase Rate & Term Refi	Second Home	620	90%	90%	
	Cash-out Refi		620	75%	75%	
¹ When there are two or more borrowers, the minimum credit score is 580 with a DU Approve/Eligible ² Fannie Mae: Subordinate financing not permitted ³ Freddie Mac: Subordinate financing permitted on primary residence only						

Information is accurate as of the date of publishing and is subject to change without notice. The overlays outlined in this matrix and on our overlay matrix apply to agency loans submitted to DU/LPA. In addition to applying 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



Conforming Product Profile: Correspondent

Newrez overlays are identified with yellow highlighting

1. Loan Terms
2. Product Codes
3. ARM Information
4. Special Feature Codes (SFC)/ Investor Feature Codes (IFI)
5. Temporary Buydown
6. QM Rebuttable Presumption/ HPML
7. Net Tangible Benefit
8. Loan Limits
9. Eligible AUS Decision
10. Ineligible AUS Decisions
11. Manual Underwrite
12. Qualifying Rate
13. Types of Financing
14. Incidental Cash Back
15. Texas Owner-Occupied Properties
16. Properties Listed for Sale
17. Eligible Subordinate Financing
18. Ineligible Subordinate Financing
19. Occupancy
20. Eligible Property Types
21. Ineligible Property Types
22. Ineligible States
23. Eligible Borrowers
24. Non-Occupant Co-Borrower
25. Housing Payment History
26. Borrower Contribution
27. Down Payment Assistance
28. Seller Contributions
29. Reserves
30. IRS Form 4506-C
31. Number of Financed Properties
32. Appraisals
33. Escrow Waivers
34. Power of Attorney
35. Principal Curtailment
36. Home Ownership Education
37. MI Eligible Providers
38. Eligible Mortgage Insurance
39. MI Ineligible Programs
40. MI Coverage
41. Ineligible Programs
42. Version History

Information is accurate as of the date of publishing and is subject to change without notice. The overlays outlined in this matrix and on our overlay matrix apply to agency loans submitted to DU/LPA. In addition to applying 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



Conforming Product Profile: Correspondent

Newrez overlays are identified with yellow highlighting

	FANNIE MAE (DU)	FREDDIE MAC (LPA)
1. Loan Terms	<ul style="list-style-type: none"> Fixed Rate: 10- to 30-year terms in annual increments ARMs: 30-year term Manufactured Housing: Fixed Rate maximum 20-year term for cash-out refi DU Approve second home and investment properties must be locked in Fannie/Freddie Fixed or FNMA ARM product code referenced below LPA Accept second home or investment properties must be locked in a Freddie Mac Eligible or FHLMC product code referenced below 	
2. Product Codes	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	FF2 15 Yr Freddie Mac Eligible Fixed LPMI
	Y59 15 Yr Fannie/Freddie Fixed LPMI	FF3 30 Yr Freddie Mac Eligible Fixed LPMI
	Y50 30 Yr Fannie/Freddie Fixed LPMI	Y64 15 Yr Super Conforming LPMI Freddie Mac Eligible Fixed
	Y60 15 Yr Fannie Fixed High-Balance LPMI	Y57 30 Yr Super Conforming LPMI Freddie Mac Eligible Fixed
	Y32 30 Yr Fannie Fixed High-Balance LPMI	2288 FHLMC 5/6 SOFR ARM 2-1-5
	2285 FNMA 5/6 SOFR ARM 2-1-5	2287 FHLMC 7/6 SOFR ARM 5-1-5
	2284 FNMA 7/6 SOFR ARM 5-1-5	2286 FHLMC 10/6 SOFR ARM 5-1-5
	2283 FNMA 10/6 SOFR ARM 5-1-5	2294 FHLMC SC 5/6 SOFR ARM 2-1-5
	2291 FNMA HB 5/6 SOFR ARM 2-1-5	2293 FHLMC SC 7/6 SOFR ARM 5-1-5
2290 FNMA HB 7/6 SOFR ARM 5-1-5	2292 FHLMC SC 10/6 SOFR ARM 5-1-5	

Information is accurate as of the date of publishing and is subject to change without notice. The overlays outlined in this matrix and on our overlay matrix apply to agency loans submitted to DU/LPA. In addition to applying 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



Conforming Product Profile: Correspondent

Newrez overlays are identified with yellow highlighting

	2289 FNMA HB 10/6 SOFR ARM 5-1-5				
3. ARM Information	Index	The 30-day average of the overnight Secured Overnight Financing Rate (SOFR) as published by the Federal Reserve Bank of New York			
	Margin	3.00% and 2.75%			
	Life Floor	The floor is the margin			
	Interest Rate	Product	First	Subsequent	Lifetime
	Caps and	5/6	2%	1%	5%
	Adjustments	7/6	5%	1%	5%
		10/6	5%	1%	5%
	Change Date	5/6	The first Change Date is the 61 st payment due date. Subsequent Change Dates are every six months thereafter.		
		7/6	The first Change Date is the 85 th payment due date. Subsequent Change Dates are every six months thereafter.		
	10/6	The first Change Date is the 121 st payment due date. Subsequent Change Dates are every six months thereafter.			
Conversion Option	Not available				
4. Special Feature Codes (SFC)/ Investor Feature Codes (IFI)	Student Loan Cash-out Refi 841: An exception is required for delivery purposes		N/A		
5. Temporary Buydown	<p>Permitted for the following</p> <ul style="list-style-type: none"> Fixed Rate Purchase transactions Primary residence Second homes <p>Not permitted with the following</p> <ul style="list-style-type: none"> ARMs Investment properties Manufactured housing Refinance transactions 				

Information is accurate as of the date of publishing and is subject to change without notice. The overlays outlined in this matrix and on our overlay matrix apply to agency loans submitted to DU/LPA. In addition to applying 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



Conforming Product Profile: Correspondent

Newrez overlays are identified with yellow highlighting

	<p>Eligible Buydown Plans</p> <ul style="list-style-type: none"> • 1-0: payment will be calculated at 1.00% below the Note rate for payments 1-12 • 1-1: payment will be calculated at 1.00% below the Note rate for the first two years • 2-1: payment will be calculated at 2.00% below the Note rate for payments 1-12 and 1.00% below the Note rate for months 13-24 • 3-2-1: payment will be calculated at 3.00% below the Note rate for payments 1-12 and 2.00% below the Note rate for months 13-24, and 1.00% below the Note rate for months 25-36 	
6. QM Rebuttable Presumption/HPML	<ul style="list-style-type: none"> • HPML: Primary residence transactions must maintain an escrow account for a minimum of 5 years • Primary residence nonprime (HPML) refinances in CT with loan amounts ≤ \$417,000 <ul style="list-style-type: none"> ○ If the loan being refinanced is an FHA, VA, USDA loan (Special Mortgage), or a bond loan provided by a Housing Finance Agency, homeownership counseling is required 	
7. Net Tangible Benefit	<ul style="list-style-type: none"> • Delegated Clients are responsible for determining when Net Tangible Benefit must be met • Non-Delegated Clients <ul style="list-style-type: none"> ○ AR, CT, IL MN, NC, NM, OH, and WA: All channels must complete the Generic NTB Test ○ CO, MA, MD, ME, RI, SC, VA, and WV: Complete the state specific forms as required by the state <ul style="list-style-type: none"> ▪ CO requires NTB state specific forms to be completed for purchase and refinance transactions ○ For all other states, no NTB test is required • Refer to Net Tangible Benefit (NTB) Worksheets 	
8. Loan Limits	<p>https://www.fanniemae.com/singlefamily/loan-limits</p> <p>https://www.fhfa.gov/DataTools/Downloads/Pages/Conforming-Loan-Limits.aspx</p>	
9. Eligible AUS Decision	DU Approve/Eligible per Fannie Mae guidelines	LPA Accept per Freddie Mac guidelines
10. Ineligible AUS Decisions	<ul style="list-style-type: none"> • DU Approve/Ineligible • Refer with Caution • LPA Caution 	
11. Manual Underwrite	Not permitted	
12. Qualifying Rate	<ul style="list-style-type: none"> • Fixed Rate: Note rate, including temporary buydowns 	

Information is accurate as of the date of publishing and is subject to change without notice. The overlays outlined in this matrix and on our overlay matrix apply to agency loans submitted to DU/LPA. In addition to applying 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



Conforming Product Profile: Correspondent

Newrez overlays are identified with yellow highlighting

	<ul style="list-style-type: none"> ARM: 5/6 ARM: Greater of the Fully Indexed Rate or the Note Rate + 2% 7/6 and 10/6 ARM: Greater of the Fully Indexed Rate or the Note Rate 	
13. Types of Financing	<ul style="list-style-type: none"> Purchase Mortgage Rate & Term Refinance (Limited Cash-out Refi) Cash-out Refi Single Close Modification of the Note (Delegated Clients only) <ul style="list-style-type: none"> Conforming and High-Balance Fixed Rate only 	<ul style="list-style-type: none"> Purchase Mortgage Rate & Term Refinance (No Cash-out Refi) Cash-out Refi
14. Incidental Cash Back	<ul style="list-style-type: none"> Maximum incidental cash back to the borrower is lesser of 2% of the loan amount or \$2,000 Texas homestead properties subject to 50(a)(6) may not receive any (\$0) cash back at closing. Refer to Texas 50(a)(6) Product Profile 	<ul style="list-style-type: none"> Maximum incidental cash back to the borrower is the greater of 1% of the loan amount or \$2,000 Texas homestead properties subject to 50(a)(6) may not receive any (\$0) cash back at closing. Refer to Texas 50(a)(6) Product Profile
15. Texas Owner-Occupied Properties	<ul style="list-style-type: none"> Owner occupied properties with a first mortgage or second lien subject to Texas Section 50(a)(6) not permitted in this product. Refer to the Texas 50(a)(6) Product Profile. A copy of the current mortgage or note is required to determine if the terms are subject to Texas Section 50(a)(6) (also known as Home Equity Deed of Trust, Home Equity Installment Contract or Residential Home Loan Deed of Trust) (Non-Delegated Clients only) An existing Texas Section 50(a)(6) loan (either first or second mortgage) may be refinanced as a Texas non-Home Equity Section 50(f)(2) loan secured by a lien against the homestead subject to the following: <ul style="list-style-type: none"> Max 80% LTV/CLTV 12-month seasoning for any Texas Section 50(a)(6) loan (first or second) Cash back not permitted No additional funds may be included in the loan amount (except closing costs and prepaids) No new subordinate financing An Interior and Exterior Appraisal Report is required 	

Information is accurate as of the date of publishing and is subject to change without notice. The overlays outlined in this matrix and on our overlay matrix apply to agency loans submitted to DU/LPA. In addition to applying 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



Conforming Product Profile: Correspondent

Newrez overlays are identified with yellow highlighting

	<ul style="list-style-type: none"> Lender must provide the <i>Notice of Refinance of a Texas Home Equity Loan Pursuant to Subsection (f)(2)</i> no later than the third business day after the loan application date and at least 12 days prior to closing 																											
	Texas 50 (f)(2) Determination																											
	<table border="1"> <thead> <tr> <th>New loan amount pays off existing lien and...</th> <th>Existing lien is non-50(a)(6), the new lien is...</th> <th>Existing lien is 50(a)(6), the new lien is...</th> </tr> </thead> <tbody> <tr> <td>Provides even \$1 cash to borrower</td> <td>Texas 50 (a)(6)</td> <td>Texas 50 (a)(6)</td> </tr> <tr> <td>Pays off/down existing 50(a)(6) lien with no cash to borrower</td> <td>Texas 50 (a)(6)</td> <td>Texas 50(f)(2)</td> </tr> <tr> <td>Pays off/down existing 50(a)(6) lien with cash to borrower</td> <td>Texas 50 (a)(6)</td> <td>Texas 50 (a)(6)</td> </tr> <tr> <td>New lien is < existing UPB (no new funds)</td> <td>Non-Texas 50 (a)(6)</td> <td>Texas 50(f)(2)</td> </tr> <tr> <td>Funds, prepaids and/or closing costs</td> <td>Non-Texas 50 (a)(6)</td> <td>Texas 50(f)(2)</td> </tr> <tr> <td>Pays off/down purchase money second</td> <td>Non-Texas 50 (a)(6)</td> <td>Texas 50(f)(2)</td> </tr> <tr> <td>Pays off/down existing Secured Home Improvement loan (mechanic's lien)</td> <td>Non-Texas 50 (a)(6)</td> <td>Texas 50(f)(2)</td> </tr> <tr> <td>Provides funds to satisfy a court-ordered divorce equity buyout (owelty lien)</td> <td>Non-Texas 50 (a)(6)</td> <td>Texas 50 (a)(6)</td> </tr> </tbody> </table>	New loan amount pays off existing lien and...	Existing lien is non-50(a)(6), the new lien is...	Existing lien is 50(a)(6), the new lien is...	Provides even \$1 cash to borrower	Texas 50 (a)(6)	Texas 50 (a)(6)	Pays off/down existing 50(a)(6) lien with no cash to borrower	Texas 50 (a)(6)	Texas 50(f)(2)	Pays off/down existing 50(a)(6) lien with cash to borrower	Texas 50 (a)(6)	Texas 50 (a)(6)	New lien is < existing UPB (no new funds)	Non-Texas 50 (a)(6)	Texas 50(f)(2)	Funds, prepaids and/or closing costs	Non-Texas 50 (a)(6)	Texas 50(f)(2)	Pays off/down purchase money second	Non-Texas 50 (a)(6)	Texas 50(f)(2)	Pays off/down existing Secured Home Improvement loan (mechanic's lien)	Non-Texas 50 (a)(6)	Texas 50(f)(2)	Provides funds to satisfy a court-ordered divorce equity buyout (owelty lien)	Non-Texas 50 (a)(6)	Texas 50 (a)(6)
New loan amount pays off existing lien and...	Existing lien is non-50(a)(6), the new lien is...	Existing lien is 50(a)(6), the new lien is...																										
Provides even \$1 cash to borrower	Texas 50 (a)(6)	Texas 50 (a)(6)																										
Pays off/down existing 50(a)(6) lien with no cash to borrower	Texas 50 (a)(6)	Texas 50(f)(2)																										
Pays off/down existing 50(a)(6) lien with cash to borrower	Texas 50 (a)(6)	Texas 50 (a)(6)																										
New lien is < existing UPB (no new funds)	Non-Texas 50 (a)(6)	Texas 50(f)(2)																										
Funds, prepaids and/or closing costs	Non-Texas 50 (a)(6)	Texas 50(f)(2)																										
Pays off/down purchase money second	Non-Texas 50 (a)(6)	Texas 50(f)(2)																										
Pays off/down existing Secured Home Improvement loan (mechanic's lien)	Non-Texas 50 (a)(6)	Texas 50(f)(2)																										
Provides funds to satisfy a court-ordered divorce equity buyout (owelty lien)	Non-Texas 50 (a)(6)	Texas 50 (a)(6)																										
	<ul style="list-style-type: none"> Borrower may elect to have loan remain a Texas 50(a)(6). Refer to Texas 50(a)(6) product profile Once the borrower has completed a Texas 50(f)(2), any subsequent refinances of the homestead property may follow standard rate term refinance guidelines unless opting for a cash-out refinance transaction 																											
16. Properties Listed for Sale	<ul style="list-style-type: none"> Property must be taken off the market before the disbursement date Borrower provides written confirmation of intent to occupy if primary residence 																											
17. Eligible Subordinate Financing	<ul style="list-style-type: none"> New subordinate financing Existing subordinate financing Community Second <ul style="list-style-type: none"> Loans underwritten by Newrez must be 																											

Information is accurate as of the date of publishing and is subject to change without notice. The overlays outlined in this matrix and on our overlay matrix apply to agency loans submitted to DU/LPA. In addition to applying 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



Conforming Product Profile: Correspondent

Newrez overlays are identified with yellow highlighting

	<p>approved by Newrez prior to application</p> <ul style="list-style-type: none"> ○ Product AA9 30 Yr Fannie Fixed with Community Second only (High-Balance not permitted) ○ Primary residence ○ 1-4-units ○ Purchase and Rate & Term Refinance ○ Maximum 105% CLTV ○ Apply the more restrictive down payment requirement between the product and second mortgage ○ Income limits imposed by the Community Seconds provider apply ○ Manufactured homes eligible to 95% LTV/CLTV ○ Community Second with reporting requirements are not permitted ● Not permitted on co-ops 	
18. Ineligible Subordinate Financing	NA	Affordable Seconds
19. Occupancy	<ul style="list-style-type: none"> ● Primary residence ● Second home ● Investment properties 	
20. Eligible Property Types	<ul style="list-style-type: none"> ● 1-4 units ● Condos: Must be reviewed by PRD (Non-Delegated Clients) ● Co-ops <ul style="list-style-type: none"> ▪ NYC: 5 Boroughs (Bronx, Brooklyn, Manhattan, Queens, and Staten Island) and Nassau, Rockland, Suffolk, and Westchester counties ▪ NJ: Bergen, Essex, and Hudson counties ○ Must be reviewed by PRD and include a Project Submission Form and all required documents 	

Information is accurate as of the date of publishing and is subject to change without notice. The overlays outlined in this matrix and on our overlay matrix apply to agency loans submitted to DU/LPA. In addition to applying 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



Conforming Product Profile: Correspondent

Newrez overlays are identified with yellow highlighting

	<ul style="list-style-type: none"> Leasehold estates Manufactured housing Modular homes PUDs Nevada <ul style="list-style-type: none"> The following is required for condo & PUD units in Nevada for Delegated Clients: <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 	
21. Ineligible Property Types	<ul style="list-style-type: none"> Condo hotels Non-warrantable condos Properties with a C5 and C6 condition rating 	
22. Ineligible States	<p>Ineligible for Newrez Underwriting</p> <ul style="list-style-type: none"> Alaska 	
23. Eligible Borrowers	<ul style="list-style-type: none"> U.S. citizens Permanent resident alien Non-permanent resident alien Inter vivos revocable trust <ul style="list-style-type: none"> Must be approved by Newrez legal for Non-Delegated Clients) <p>Newrez will not purchase loans from Principal/Owners of Newrez Correspondents.</p>	
24. Non-Occupant Co-Borrower	<p>When non-occupant co-borrower, co-signer, or guarantor income will be used to qualify:</p> <ul style="list-style-type: none"> DU Approve/Eligible: LTV/CLTV/HCLTV ≤95% See Eligibility Matrix for CLTV >95% 	<p>When non-occupant co-borrower, co-signer, or guarantor income will be used to qualify:</p> <ul style="list-style-type: none"> LPA Accept: LTV/CLTV/HCLTV ≤95%
25. Housing Payment History	<ul style="list-style-type: none"> Inclusive of all liens regardless of position Applies to all mortgages on all financed properties Follow DU Approve/Eligible 	<ul style="list-style-type: none"> Inclusive of all liens regardless of position Applies to all mortgages on all financed properties Follow LPA Accept <ul style="list-style-type: none"> If there are mortgage late payments not on the credit report, the loan must be resubmitted to LPA to recognize the late payment or the loan is not eligible

Information is accurate as of the date of publishing and is subject to change without notice. The overlays outlined in this matrix and on our overlay matrix apply to agency loans submitted to DU/LPA. In addition to applying 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



Conforming Product Profile: Correspondent

Newrez overlays are identified with yellow highlighting

26. Borrower Contribution		Primary Residence		Second Home		Investment Property
		≤ 80% LTV	>80% LTV	≤80% LTV	>80% LTV	All LTVs
	Borrower Investment	None	DU 1-unit: None DU 2-4 unit: 5% LPA none	None	5%	Full down payment
	Gifts	Yes	Yes	Yes	Yes	No
LTV includes LTV/CLTV/HCLTV						
27. Down Payment Assistance	<ul style="list-style-type: none"> • Permitted • Newrez must approve the DPA for Non-Delegated Clients 					
28. Seller Contributions	<ul style="list-style-type: none"> • Primary Residence and Second Homes <ul style="list-style-type: none"> ○ 3% for LTV/CLTV > 90% ○ 6% for LTV/CLTV > 75% & ≤ 90% ○ 9% for LTV/CLTV ≤75% • Investment Properties <ul style="list-style-type: none"> ○ 2% 					
29. Reserves	<ul style="list-style-type: none"> • Follow DU reserve requirements, including borrowers with multiple financed properties. See Rental Income for additional reserve requirements • Cash out from Cash-out Refinance may not be used to meet the reserve requirements 			<ul style="list-style-type: none"> • Follow LPA reserve requirements, including borrowers with multiple financed properties. See Rental Income for additional reserve requirements • Cash out from Rate & Term Refinance and Cash-out Refinance may not be used to meet the reserve requirements 		
30. IRS Form 4506-C	<ul style="list-style-type: none"> • Prior to Underwriting (Newrez underwritten loans) <ul style="list-style-type: none"> ○ Signed 4506-C for each borrower whose income must be documented with tax returns and used for qualification (self-employment, rental income, etc.) • At Closing (all loans) <ul style="list-style-type: none"> ○ 4506-C for each borrower whose income is used to qualify (regardless of income type) must be signed at closing even if DU Validation Service or LPA AIM waives the requirement 					

Information is accurate as of the date of publishing and is subject to change without notice. The overlays outlined in this matrix and on our overlay matrix apply to agency loans submitted to DU/LPA. In addition to applying 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



Conforming Product Profile: Correspondent

Newrez overlays are identified with yellow highlighting

	<ul style="list-style-type: none"> ○ 4506-C for the business tax return transcript(s) must be signed at closing when the business returns are used for qualification even if DU Validation Service or LPA AIM waives the requirement 		
31. Number of Financed Properties	<ul style="list-style-type: none"> ● Primary Residence: No limitation ● Second Home & Investment Properties <ul style="list-style-type: none"> ○ Ten financed properties ○ Min 720 credit score if borrower owns 7-10 financed properties ● New multiple loans must be underwritten simultaneously 		
32. Appraisals	<ul style="list-style-type: none"> ● Follow DU Approve/Eligible ● Appraisal Waiver <ul style="list-style-type: none"> ○ Must be dated within four months from the DU offer date to the note date ○ Not permitted if appraisal has already been obtained ● Kansas Primary Residence <ul style="list-style-type: none"> ○ A valuation is required for primary residences. One of the following may be used to determine value: <ul style="list-style-type: none"> ● Most recent tax assessment value by county ● 2055 Drive-by Appraisal Report ● NewRez approved AVM (CoreLogic, Freddie Mac HVE, Black Knight Collateral Analytics) ○ If the LTV exceeds 100%, a Kansas High Loan-to-Value Notice must be provided to the borrower not less than three days prior to closing and a copy of the valuation provided to the borrower 	<ul style="list-style-type: none"> ● Follow LPA Accept ● Automated Collateral Evaluation (ACE) <ul style="list-style-type: none"> ○ Must be dated within 120 days from the LPA offer date to the note date ○ Not permitted if an appraisal has already been obtained 	
33. Escrow Waivers	Escrow Waiver Eligibility		
	Primary Residence	Second Home	Investment Property
	Max LTV ≤ 80% <ul style="list-style-type: none"> ● CA: LTV < 90% ● NM: LTV < 80% 	Max LTV ≤ 80% <ul style="list-style-type: none"> ● CA: LTV < 90% 	All states LTV ≤ 80%
	<ul style="list-style-type: none"> ● Escrows may not be waived for first-time homebuyer (FTHB) or borrowers who exhibit recent delinquencies ● FTHBs may be considered on a case-by-case basis with a demonstrated ability to save (reserves) and strong residual income 		

Information is accurate as of the date of publishing and is subject to change without notice. The overlays outlined in this matrix and on our overlay matrix apply to agency loans submitted to DU/LPA. In addition to applying 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



Conforming Product Profile: Correspondent

Newrez overlays are identified with yellow highlighting

34. Power of Attorney	Not permitted on cash-out refi unless required by state law	Not permitted on cash-out refi unless required by state law
35. Principal Curtailment	A principal curtailment is permitted up to the lesser of 2% of the loan amount or \$2,500	
36. Home Ownership Education	<p>>95% LTV/CLTV/HCLTV</p> <ul style="list-style-type: none"> • Purchase only • Must be completed prior to the Note date • At least one borrower must complete homebuyer education when all borrowers are first time homebuyers • Document certificate of course completion • The following types of homeownership education are acceptable: <ul style="list-style-type: none"> ○ Third Party provider content aligned with the <u>National Industry Standards (NIS) for Homeownership Education and Counseling</u> ○ Fannie Mae’s free, online homeownership education course, HomeView, Modules 1 through 7 ○ Programs provided by HUD approved counseling agencies, Housing Finance Agencies or Community Development Financial Institutions ○ Community Seconds program or other down payment assistance (DPA) requirement for completion of homeownership education or counseling provided by a <u>HUD-approved counseling agency</u>. Housing counseling must have been completed prior to closing 	<p>>95% LTV/CLTV/HCLTV</p> <ul style="list-style-type: none"> • Purchase only • Must be completed prior to the Note date • Must not be provided by an interested party to the transaction, the Client or NewRez • Document certificate of course completion • The following types of homeownership education are acceptable: <ul style="list-style-type: none"> ○ Freddie Mac’s free financial literacy curriculum, CreditSmart Homebuyer U-with Certificate, provided: <ul style="list-style-type: none"> ▪ Borrower completes on-line <u>CreditSmart Homebuyer U- With Certificate</u> that includes modules 1 through 6 ▪ CreditSmart is not provided by an interested party to the transaction, the Client or Newrez ▪ CreditSmart is not provided by an interested party to the transaction, the Client or Newrez ▪ Programs provided by HUD approved counseling agencies, Housing Finance Agencies or Community Development Financial Institutions ▪ Programs provided by mortgage insurance companies or other

Information is accurate as of the date of publishing and is subject to change without notice. The overlays outlined in this matrix and on our overlay matrix apply to agency loans submitted to DU/LPA. In addition to applying 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



Conforming Product Profile: Correspondent

Newrez overlays are identified with yellow highlighting

		providers programs that meet the standards of the <u>National Industry Standards for Homeownership Education and Counseling</u>
37. MI Eligible Providers	MI company must be acceptable to Fannie Mae and Freddie Mac	
38. Eligible Mortgage Insurance	<p>Borrower Paid Mortgage Insurance</p> <ul style="list-style-type: none"> • Monthly plans • Annual plans • Single-premium plan • Financed MI <ul style="list-style-type: none"> ○ 1-unit <ul style="list-style-type: none"> ○ 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 • 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 ▪ Single wide manufactured homes not eligible ▪ 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 ○ FF3 30 Yr Freddie Mac Eligible Fixed LPMI ○ Y57 30 Yr Super Conforming LPMI Freddie Mac Eligible Fixed ○ Lender Paid Disclosure must be provided to the borrower by the Correspondent Client 	

Information is accurate as of the date of publishing and is subject to change without notice. The overlays outlined in this matrix and on our overlay matrix apply to agency loans submitted to DU/LPA. In addition to applying 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



Conforming Product Profile: Correspondent

Newrez overlays are identified with yellow highlighting

39. MI Ineligible Programs	<ul style="list-style-type: none"> Lender annual plans Lender-paid monthly plans Reduced or custom mortgage insurance Split-premium 																						
40. MI Coverage	<ul style="list-style-type: none"> Private Mortgage Insurance is required for all loans >80% LTV Consult individual MI company guidelines NY State: Use the appraised value to determine if mortgage insurance is required. If Mortgage Insurance is required, use the lesser of the sales price or appraised value to determine the appropriate coverage <table border="1" data-bbox="384 817 1541 1406"> <thead> <tr> <th data-bbox="384 817 963 862">LTV</th> <th data-bbox="963 817 1541 862">Standard Coverage</th> </tr> </thead> <tbody> <tr> <td colspan="2" data-bbox="384 862 1541 907">All ARMs, and all Standard Manufactured Homes, and Fixed Rate: >20-year Term</td> </tr> <tr> <td data-bbox="384 907 963 958">95.01% to 97%</td> <td data-bbox="963 907 1541 958">35%</td> </tr> <tr> <td data-bbox="384 958 963 1010">90.01% to 95%</td> <td data-bbox="963 958 1541 1010">30%</td> </tr> <tr> <td data-bbox="384 1010 963 1061">85.01% to 90%</td> <td data-bbox="963 1010 1541 1061">25%</td> </tr> <tr> <td data-bbox="384 1061 963 1113">80.01% to 85%</td> <td data-bbox="963 1061 1541 1113">12%</td> </tr> <tr> <td colspan="2" data-bbox="384 1113 1541 1214">Fixed Rate: ≤ 20-year Term (No ARMs and no Manufactured Homes)</td> </tr> <tr> <td data-bbox="384 1214 963 1265">95.01% to 97%</td> <td data-bbox="963 1214 1541 1265">35%</td> </tr> <tr> <td data-bbox="384 1265 963 1317">90.01% to 95%</td> <td data-bbox="963 1265 1541 1317">25%</td> </tr> <tr> <td data-bbox="384 1317 963 1368">85.01% to 90%</td> <td data-bbox="963 1317 1541 1368">12%</td> </tr> <tr> <td data-bbox="384 1368 963 1406">80.01% to 85%</td> <td data-bbox="963 1368 1541 1406">6%</td> </tr> </tbody> </table>	LTV	Standard Coverage	All ARMs, and all Standard Manufactured Homes, and Fixed Rate: >20-year Term		95.01% to 97%	35%	90.01% to 95%	30%	85.01% to 90%	25%	80.01% to 85%	12%	Fixed Rate: ≤ 20-year Term (No ARMs and no Manufactured Homes)		95.01% to 97%	35%	90.01% to 95%	25%	85.01% to 90%	12%	80.01% to 85%	6%
LTV	Standard Coverage																						
All ARMs, and all Standard Manufactured Homes, and Fixed Rate: >20-year Term																							
95.01% to 97%	35%																						
90.01% to 95%	30%																						
85.01% to 90%	25%																						
80.01% to 85%	12%																						
Fixed Rate: ≤ 20-year Term (No ARMs and no Manufactured Homes)																							
95.01% to 97%	35%																						
90.01% to 95%	25%																						
85.01% to 90%	12%																						
80.01% to 85%	6%																						
41. Ineligible Programs	<ul style="list-style-type: none"> Fannie Mae HFA Preferred program Fannie Mae Homestyle Fannie Mae MH Advantage Fannie Mae Rural High-Needs Appraisal Waiver (appraisal waiver with home inspection) Freddie Mac CHOICEHome Freddie Mac GreenCHOICE 																						

Information is accurate as of the date of publishing and is subject to change without notice. The overlays outlined in this matrix and on our overlay matrix apply to agency loans submitted to DU/LPA. In addition to applying 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



Conforming Product Profile: Correspondent

Newrez overlays are identified with yellow highlighting

42. Version History		
Section	Update	Date
Ineligible States	Permit HI for all Clients	January 15, 2021
Ineligible Property Types	Manufactured housing not eligible in HI	
Incidental Cash Back	Added this information to product profile	February 1, 2021
Texas Owner Occupied Properties	Added Texas 50(f)(2) determination grid	March 15, 2021
Kansas High LTV	Added requirement for appraisal valuations in Kansas	March 15, 2021
Loan Terms	<ul style="list-style-type: none"> • DU Approve second home and investment properties must be locked in Fannie/Freddie Fixed or FNMA ARM product code referenced below • LPA Accept second home or investment properties must be locked in a Freddie Mac Eligible or FHLMC product code referenced below 	March 15, 2021
Loan Terms	<ul style="list-style-type: none"> • Fixed Rate: 10- to 30-year terms in annual increments • Removed Custom Loan Term information 	April 15, 2021
Eligibility Matrix	Cash-out Refi Credit Score-620	August 13, 2021
Ineligible Property Types	Remove Unique Properties as ineligible, Add Non-Warrantable Condos as ineligible	August 13, 2021
Ineligible States	New York is ineligible for NewRez Underwriting	November 12, 2021
Incidental Cash Back	Texas homestead properties subject to 50(a)(6) may not receive any (\$0) cash back at closing. Refer to Texas 50(a)(6) Product Profile	December 17, 2021
Texas Owner Occupied Properties	A copy of the current mortgage or note is required to determine if the terms are subject to Texas Section 50(a)(6) (also known as Home Equity Deed of Trust, Home Equity Installment Contract or Residential Home Loan Deed of Trust) (Non-Delegated Clients only)	December 17, 2021
Texas Owner Occupied Properties	Added below in red <ul style="list-style-type: none"> • An existing Texas Section 50(a)(6) loan (either first or second mortgage) may be refinanced as a Texas non-Home Equity Section 50(f)(2) loan secured by a lien against the homestead subject to the following: <ul style="list-style-type: none"> ○ Lender must provide the <i>Notice of Refinance of a Texas Home Equity Loan Pursuant to Subsection (f)(2)</i> no later than 	December 17, 2021

Information is accurate as of the date of publishing and is subject to change without notice. The overlays outlined in this matrix and on our overlay matrix apply to agency loans submitted to DU/LPA. In addition to applying 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



Conforming Product Profile: Correspondent

Newrez overlays are identified with yellow highlighting

	the third business day after the loan application date and at least 12 days prior to closing	
Home Ownership Education	Added new Counseling information on or after January 1, 2022	December 17, 2021
Texas Owner Occupied Properties	Added Texas 50(f)(2) -An Interior and Exterior Appraisal Report is required	December 22, 2021
Eligibility Matrix	Add Credit Score Eligibility for DU	February 7, 2022
Eligibility Matrix	Update Fannie Mae Community Second information	April 21, 2022
	<ul style="list-style-type: none"> • Update MH credit score to 620 • When there are two or more borrowers, the minimum credit score is 580 with a DU Approve/Eligible <ul style="list-style-type: none"> ○ LPMI products require a minimum 620 credit score 	April 21, 2022
Ineligible Property Types	<p>Removed the below Ineligible Manufactured Home Property Types. These are now eligible</p> <ul style="list-style-type: none"> • Condo • Leasehold • Hawaii • New Construction • Hobby Farm • Mixed Use <p>Units located in a Mobile Home Park remain ineligible and have been moved to the Guide.</p>	April 21, 2022
Homeownership Education	Added Fannie Mae's HomeView Modules 1 through 7.	April 21, 2022
Eligible Mortgage Insurance	<p>Newrez ordered LPMI</p> <ul style="list-style-type: none"> • Single wide manufactured home not eligible 	April 21, 2022
ARM Information	Add 2.75 Margin	July 11, 2022
Eligibility Matrix	Added Co-ops	September 1, 2022
Eligible Property Types	Added Co-ops	September 1, 2022
MI Coverage	Reworded MI Coverage verbiage	September 08, 2022
Temporary Buydown	Now eligible-added information	October 17,2022
Ineligible States	Removed New York as an ineligible State	October 27, 2022
Temporary Buydown	Remove minimum credit score overlay	November 17, 2022

Information is accurate as of the date of publishing and is subject to change without notice. The overlays outlined in this matrix and on our overlay matrix apply to agency loans submitted to DU/LPA. In addition to applying 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