



USDA Purchase and Rate & Term Refinance (Non-Streamlined) Product Summary: Correspondent

Newrez overlays are identified with yellow highlighting

PURCHASE AND STANDARD RATE & TERM (NON-STREAMLINED) REFINANCE ELIGIBILITY MATRIX					
Occupancy	Units	Credit Score	LTV	CLTV	DTI
GUS ACCEPT					
Primary Residence	1	580	100%	100%	Per GUS
MANUAL UNDERWRITE ¹					
Primary Residence	1	600	100%	100%	34 ² /41
LTV may exceed 100% only by the amount of the Guarantee Fee financed					
¹ Nontraditional Credit: Follow Manual Underwrite requirements for LTV, CLTV and DTI					
² Waivers are not permitted to increase the PITIA ratio above 34% for purchase 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 USDA GUS. In addition to applying Newrez specific overlays, all loans submitted to GUS must comply with the GUS and USDA 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.



USDA Purchase and Rate & Term Refinance (Non-Streamlined) Product Summary: Correspondent

Newrez overlays are identified with yellow highlighting

- | | |
|--|-----------------------------------|
| 1. Loan Terms | 17. Down Payment Assistance |
| 2. Product Codes | 18. Occupancy |
| 3. Existing Mortgage | 19. Property Location Eligibility |
| 4. Net Tangible Benefit | 20. Eligible Property Types |
| 5. Guarantee Fee | 21. Eligible Borrowers |
| 6. Upfront Guarantee Fee | 22. Non-Occupant Co-Borrower |
| 7. Annual Guarantee Fee | 23. Credit |
| 8. Loan Limits | 24. Program Income Eligibility |
| 9. Temporary Buydown | 25. Mortgage Payment History |
| 10. Automated Underwriting | 26. Forbearance |
| 11. Manual Underwrite | 27. Rental Payment History |
| 12. Manual Underwrite Debt Ratio Waivers | 28. Seller Contributions |
| 13. Qualifying Rate | 29. Reserves |
| 14. Types of Financing | 30. Appraisal |
| 15. Properties Listed for Sale | 31. Escrow Waivers |
| 16. Subordinate Financing | |

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 USDA GUS. In addition to applying Newrez specific overlays, all loans submitted to GUS must comply with the GUS and USDA 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.



USDA Purchase and Rate & Term Refinance (Non-Streamlined) Product Summary: Correspondent

Newrez overlays are identified with yellow highlighting

1. Loan Terms	Fixed Rate: 30-year term
2. Product Codes	W92 USDA Fixed Rate 30 Year
3. Existing Mortgage	Rate & Term Refinance (Non-Streamlined) Only <ul style="list-style-type: none"> The existing USDA Guarantee loan must: <ul style="list-style-type: none"> Have closed at least 180 days prior to the USDA receipt of a Conditional Commitment Have a mortgage payment history which does not reflect a delinquency greater than 30 days within the previous 180 day period. Not be able to qualify for conventional financing
4. Net Tangible Benefit	NA
5. Guarantee Fee	<ul style="list-style-type: none"> Guarantee Fee is required on all transactions Guarantee Fee and Annual Fee Calculators are available on the USDA LINC Training and Resource Library in the Loan Origination section under Documentation and Resource
6. Upfront Guarantee Fee	<ul style="list-style-type: none"> Up-front Guarantee Fee: 1.0% The upfront guarantee fee is calculated by multiplying the following percentage by the Total Loan Amount <ul style="list-style-type: none"> 1% of Base Loan Amount (when G-Fee is paid in cash) Total Loan Amount = Base Loan Amount/0.99 (when G-Fee is financed)
7. Annual Guarantee Fee	<ul style="list-style-type: none"> Annual Fee: .35% (of the outstanding principal balance) The Annual Guarantee Fee is calculated on the Total Loan Amount and is based on the average annual scheduled unpaid principal balance for the life of the loan
8. Loan Limits	<ul style="list-style-type: none"> Maximum loan amount <ul style="list-style-type: none"> Continental US \$806,500 Hawaii \$1,209,750 https://www.fanniemae.com/singlefamily/loan-limits Minimum loan amount \$25,000 <ul style="list-style-type: none"> \$10,000 (Michigan) Base loan amount cannot exceed <ul style="list-style-type: none"> The conforming loan limit, and The appraised value Maximum financing is the appraised value plus Guarantee Fee
9. Temporary Buydown	Permitted for the following <ul style="list-style-type: none"> Purchase 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 USDA GUS. In addition to applying Newrez specific overlays, all loans submitted to GUS must comply with the GUS and USDA 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.



USDA Purchase and Rate & Term Refinance (Non-Streamlined) Product Summary: 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 a rate that is 2.00% below the Note rate for payments 1-12 and 1.00% below the Note rate for months 13-24
10. Automated Underwriting	<ul style="list-style-type: none"> • Accept/Eligible • Accept/Ineligible if reason for ineligibility can be resolved
11. Manual Underwrite	<ul style="list-style-type: none"> • All loans must be submitted to GUS except loans under the Pilot program for existing manufactured homes. See Eligible Property section for additional details. • If a Refer or Refer with Caution decision or loan is manually downgraded, manually underwrite in accordance with USDA guidelines
12. Manual Underwrite Debt Ratio Waivers	<p>Debt ratio waiver when Total Debt ratio exceeds 41% may be granted if all of the following conditions are met:</p> <ul style="list-style-type: none"> • Acceptable ratio thresholds are met: <ul style="list-style-type: none"> ○ The maximum PITIA ratio cannot exceed 34%, and ○ The Maximum Total Debt ratio cannot exceed 44% • A debt ratio waiver may be granted with a ≥ 680 credit score for each borrower and one of the following compensating factors <ul style="list-style-type: none"> ○ Three months PITIA reserves ○ Borrower(s) have been continuously employed with their current employer for a minimum of two-years ○ The proposed PITIA does not exceed the applicant's current verified housing expense by more than \$100 or 5 percent, whichever is less, for the 12-month period preceding loan application. Verification of the housing payment must be documented. A history of less than <ul style="list-style-type: none"> ○ will not be considered an acceptable compensating factor. • The issuance of Form RD 3555-21 <i>Request for Single Family Housing Loan Guarantee</i> represents Agency approval of the ratio waiver <p>Non-Streamlined Refinance</p> <ul style="list-style-type: none"> • Compensating factors for debt ratio waiver requests <ul style="list-style-type: none"> ○ Minimum 680 credit score for each borrower ○ The proposed PITIA does not exceed the borrower's current verified mortgage payment by more than \$100 or 5 percent, whichever is less, for the 12-month period preceding loan application.

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 USDA GUS. In addition to applying Newrez specific overlays, all loans submitted to GUS must comply with the GUS and USDA 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.



USDA Purchase and Rate & Term Refinance (Non-Streamlined) Product Summary: Correspondent

Newrez overlays are identified with yellow highlighting

	<ul style="list-style-type: none"> ○ Three months PITIA reserves ○ Continuous employment with the current primary employer • The issuance of the Conditional Commitment for a Loan Note Guarantee represents Agency approval of the ratio waiver
13. Qualifying Rate	Note rate, including temporary buydowns
14. Types of Financing	<ul style="list-style-type: none"> • Purchase • Rate & Term Refi (Non-Streamlined Refi)
15. Properties Listed for Sale	<ul style="list-style-type: none"> • Property must be taken off the market before application date • Borrower provides written confirmation of intent to occupy if primary residence
16. Subordinate Financing	<ul style="list-style-type: none"> • Purchase <ul style="list-style-type: none"> ○ New subordinate financing permitted • Rate & Term Refinance (Non-Streamlined) <ul style="list-style-type: none"> ○ New subordinate financing not permitted ○ Existing subordinate financing must be resubordinated
17. Down Payment Assistance	Permitted-See Underwriting Guide section 4G.3(f) Down Payment Assistance
18. Occupancy	Primary residence
19. Property Location Eligibility	<ul style="list-style-type: none"> • Property must be located in a rural area as defined by the local USDA office (http://eligibility.sc.egov.usda.gov) • Verification of property location eligibility must be printed and retained in the loan file
20. Eligible Property Types	<ul style="list-style-type: none"> • 1-unit • Condos: Must be reviewed by PRD (Non-Delegated Clients) • Leasehold estate • Manufactured homes <ul style="list-style-type: none"> • Purchase: New construction eligible in all states (Delegated Clients only) <ul style="list-style-type: none"> ○ Purchase and Refinance of an existing USDA loan eligible in all states • Modular home • PUD
21. Eligible Borrowers	<ul style="list-style-type: none"> • US citizen • Permanent resident alien (Qualified alien) • Non-permanent resident alien with one of the following Employment Authorization Document (EAD): Effective March 18, 2025 <ul style="list-style-type: none"> ○ A03 Refugee ○ A04 Paroled Refugee ○ A05 Asylee ○ A10 Granted withholding of Deportation or Removal

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 USDA GUS. In addition to applying Newrez specific overlays, all loans submitted to GUS must comply with the GUS and USDA 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.



USDA Purchase and Rate & Term Refinance (Non-Streamlined) Product Summary: Correspondent

Newrez overlays are identified with yellow highlighting

	<ul style="list-style-type: none"> ○ C11 An Alien paroled into the United States in the public interest or temporarily for emergency reasons <p>NOTE: For future Refinance Transactions, the non-U.S. citizen rules that applied at the time the original loan was closed and guaranteed will carry over to the new refinance. If new borrowers are added to the refinanced loan, they must meet the eligibility requirements effective on March 18, 2025.</p>
22. Non-Occupant Co-Borrower	Not permitted
23. Credit	Nontraditional credit permitted
24. Program Income Eligibility	<p>Annual Income</p> <ul style="list-style-type: none"> • The income used to determine program eligibility • Used as basis for computed adjusted annual income • Based on anticipated income for the coming year • Includes the annual income of all adult household members, including adult household members not on loan <p>Annual Adjusted Income</p> <ul style="list-style-type: none"> • Annual income of all adult household members less the allowed deductions • The borrower's annual adjusted household income must meet the adjusted income limits in accordance with size of household, county, and State in which the borrower(s) will reside
25. Mortgage Payment History	<ul style="list-style-type: none"> • GUS Accept: Follow GUS • Manual Underwrite: 0x30x12 based on the number of payments made at the time of loan application • Rate & Term Refinance (Non-Streamlined): 0x30x6 prior to application date
26. Forbearance	<ul style="list-style-type: none"> • Refinance of mortgages that are in a current forbearance status, including mortgages under a CARES Act forbearance plan are not eligible • A borrower who was granted a mortgage payment forbearance and continues to make payments as agreed under the terms of original Note is not considered delinquent or late and will be treated as if not in forbearance status, provided that the forbearance plan is terminated prior to closing • A borrower who has deferred mortgage payments as result of a recent forbearance plan <ul style="list-style-type: none"> ○ Must have resumed making payments for at least three months; and

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 USDA GUS. In addition to applying Newrez specific overlays, all loans submitted to GUS must comply with the GUS and USDA 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.



USDA Purchase and Rate & Term Refinance (Non-Streamlined) Product Summary: Correspondent

Newrez overlays are identified with yellow highlighting

	<ul style="list-style-type: none"> ○ 0x30x6, excluding the time the loan was in forbearance
27. Rental Payment History	<ul style="list-style-type: none"> • GUS Accept: Not required • Manual underwrite <ul style="list-style-type: none"> ○ A VOR may be required. Refer to the GUS Underwriting Findings Report to determine if VOR is required. Refer to Underwriting Guide Chapter 4F.6 for pay history and other requirements.
28. Seller Contributions	Maximum 6%
29. Reserves	None required
30. Appraisal	<ul style="list-style-type: none"> • An interior and exterior appraisal report is required • Re-use of an appraisal from a previously closed transaction is not permitted
31. Escrow Waivers	Not permitted

Version History		
Section	Update	Date
Loan Limits	Updated new 2025 limits	01.06.2025 V25.1
Existing Mortgage	Added this section for Non-Streamlined Refi Only Rate & Term Refinance (Non-Streamlined) Only <ul style="list-style-type: none"> • The existing USDA Guarantee loan must: <ul style="list-style-type: none"> ○ Have closed at least 180 days prior to the USDA receipt of a Conditional Commitment ○ Have a mortgage payment history which does not reflect a delinquency greater than 30 days within the previous 180 day period. ○ Not be able to qualify for conventional financing 	01.08.2025 V25.2
Manual Underwrite Debt Ratio Waivers	Removed 30-day late payment for the previous 12 months is permitted.	
Mortgage Payment History	Added Rate & Term Refinance (Non-Streamlined) Mortgage Payment History information	

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 USDA GUS. In addition to applying Newrez specific overlays, all loans submitted to GUS must comply with the GUS and USDA 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.



USDA Purchase and Rate & Term Refinance (Non-Streamlined) Product Summary: Correspondent

Newrez overlays are identified with yellow highlighting

Escrow Waivers	Not permitted	01.30.2025 V25.3
Eligible Property Types	Updated direction to Underwriting Guide Manufactured Housing Pilot Program to section 4D.1(f)	
Subordinate Financing	Split out information under Purchase and then Rate & Term Refinance (Non-Streamlined)	
Down Payment Assistance	Added this section	
Rental Payment History	Updated Manual UW to below <ul style="list-style-type: none"> A VOR may be required. Refer to the GUS Underwriting Findings Report to determine if VOR is required. Refer to Underwriting Guide Chapter 4F.6 for pay history and other requirements. 	03.27.2025 V25.4
Eligible Borrowers	<ul style="list-style-type: none"> Non-permanent resident alien with one of the following Employment Authorization Document (EAD): <ul style="list-style-type: none"> A03 Refugee A04 Paroled Refugee A05 Asylee A10 Granted withholding of Deportation or Removal C11 An Alien paroled into the United States in the public interest or temporarily for emergency reasons <p>NOTE: For future Refinance Transactions, the non-U.S. citizen rules that applied at the time the original loan was closed and guaranteed will carry over to the new refinance. If new borrowers are added to the refinanced loan, they must meet the eligibility requirements effective on March 18, 2025.</p>	04.29.2025 V25.5
Eligible Property Types	<ul style="list-style-type: none"> Added Purchase and Refinance of an existing USDA loan eligible in all states Removed PILOT Program information 	

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 USDA GUS. In addition to applying Newrez specific overlays, all loans submitted to GUS must comply with the GUS and USDA 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.