



VA Refinance Product Profile: Correspondent

NewRez overlays are identified with yellow highlighting

VA TYPE 1 AND TYPE 2 CASH-OUT REFINANCE ELIGIBILITY MATRIX					
AUS Approve/Accept					
Units	Occupancy	Loan Amount ¹	Credit Score	LTV/CLTV ^{2, 3,4}	DTI ⁵
1-4	Primary Residence	\$2,500,000	720	95%	45%
		\$2,000,000	720	100%	55%
		\$2,000,000	700	100%	45%
		\$1,500,000	720	100%	AUS
		\$1,500,000	680	100%	55%
		\$1,000,000	680	100%	AUS
		\$1,000,000	580	100%	55%
		\$650,000	580	100%	AUS
1	Primary Residence	\$1,000,000	580	90%	55%
	Manufactured Home	\$650,000	580	90%	AUS
Refer/Eligible and Manual Underwriting					
Units	Occupancy	Loan Amount ¹	Credit Score	LTV/CLTV ^{2, 3,4}	DTI ⁵
1-4	Primary Residence	\$1,500,000	700	100% ²	55%
		\$1,000,000	580	90%	55%
1	Primary Residence Manufactured Home	\$1,000,000	580	90%	55%
Nontraditional Credit					
Units	Occupancy	Loan Amount ¹	LTV/CLTV ^{2,3,4,6}		DTI ⁵
			Fixed	ARM	
1-4	Primary Residence	\$806,500	100%	90%	55%
		\$1,000,000			43%
1	Primary Residence	\$806,500	90%	90%	55%
	Manufactured Home	\$1,000,000			43%
¹ Base loan amount ² Fixed Rate: LTV > 90% is available for only a 360-month term-NO EXCEPTIONS ³ ARMS: Maximum LTV ≤ 90% ⁴ LTV/CLTV based on total loan amount including financed VA Funding Fee					

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 VA AUS. In addition to applying NewRez specific overlays, all loans submitted to AUS must comply with the AUS and VA 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.



VA Refinance Product Profile: Correspondent

NewRez overlays are identified with yellow highlighting

⁵ DTI >41% when residual income exceeds 120% or significant documented compensating factors exist

⁶Maximum 90% LTV for 1-unit manufactured homes

VA INTEREST RATE REDUCTION REFINANCE LOANS (IRRRL)

Non-Credit Qualifying

Units	Occupancy	Base Loan Amount	Credit Score	LTV/CLTV ^{1,2}	DTI
1-4	Primary Residence Non-owner Occupied	\$2,500,000	720	105/125	NA
		\$2,000,000	700	105/125	NA
		\$1,500,000	680	105/125	NA
		\$1,000,000	580	105/125	NA
1	Primary Residence Manufactured Home	\$1,000,000	580	105/125	NA

Credit Qualifying

Units	Occupancy	Base Loan Amount	Credit Score	LTV/CLTV ^{1,2}	DTI ³
1-4	Primary Residence Non-owner Occupied	\$2,500,000	720	105/125	45%
		\$2,000,000	720	105/125	55%
		\$2,000,000	700	105/125	45%
		\$1,500,000	680	105/125	45%
		\$1,000,000	580	105/125	55%
1	Primary Residence Manufactured Home	\$1,000,000	580	105/125	55%

¹ LTV/CLTV will be based off of one of the following:

- The original loan amount of prior VA mortgage
- Exterior only appraisal (Form 2055)
- Newrez approved AVM
 - Corelogic (FSD<=15)
 - Collateral Analytics-Black Knight (FSD<=15)
 - Freddie HVE (confidence level of High)
 - MBS Highway (≥ 3 stars)
 - Clear Capital (≥ 80)

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



VA Refinance Product Profile: Correspondent

NewRez overlays are identified with yellow highlighting

- VA Approved/Vee Fee Panel appraiser must not be used if an appraisal is obtained

² LTV/CLTV based on total loan amount including financed VA Funding Fee

³ DTI >41% when residual income exceeds 120% or significant documented compensating factors exist

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 VA AUS. In addition to applying NewRez specific overlays, all loans submitted to AUS must comply with the AUS and VA 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.



VA Refinance Product Profile: Correspondent

NewRez overlays are identified with yellow highlighting

1. Loan Terms
2. Product Codes
3. ARM Adjustments
4. Temporary Buydown
5. Qualified Mortgage
6. QM Rebuttable Presumption
7. Seasoning
8. Net Tangible Benefit
9. Power of Attorney
10. Eligible AUS Decision
11. Manual Underwrite
12. Qualifying Rate
13. Compensating Factors
14. Residual Income
15. Types of Financing
16. Incidental Cash Back
17. Eligible Subordinate Financing
18. Ineligible Subordinate Financing
19. Texas Owner-Occupied Properties
20. Guaranty/ Entitlement
21. VA Funding Fee
22. Occupancy
23. Eligible Property Types
24. Ineligible Property Types
25. State Requirement
26. Eligible Borrowers
27. Non-Occupant Co-Borrower
28. Credit
29. Housing Payment History
30. Rental Payment History
31. Assets
32. Reserves
33. Employment/ Income
34. IRS Form 4506-C
35. Tax Transcripts
36. Maximum Financed Properties
37. Appraisals
38. Energy Efficient Mortgage (EEM) Program
39. Principal Curtailment
40. Escrow Waivers
41. Disclosures
42. Resources
43. Ineligible Program
44. 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 VA AUS. In addition to applying NewRez specific overlays, all loans submitted to AUS must comply with the AUS and VA 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.



VA Refinance Product Profile: Correspondent

NewRez overlays are identified with yellow highlighting

	IRRRL		CASH-OUT REFINANCE		
1. Loan Terms	<ul style="list-style-type: none"> Fixed Rate: 10- to 30-year terms in annual increments ARMs: 30-year term IRRRL: Maximum loan term is the original term of the VA loan being refinanced plus 10 years, not to exceed 30 years + 32 days 				
2. Product Codes	Y27	VA Fixed Rate 10 Year	Y29	High-Balance VA Fixed Rate 10 Year	
	075	VA Fixed Rate 15 Year	V54	High-Balance VA Fixed Rate 15 Year	
	Y26	VA Fixed Rate 20 Year	Y28	High-Balance VA Fixed Rate 20 Year	
	076	VA Fixed Rate 30 Year	V53	High-Balance VA Fixed Rate 30 Year	
	W66	VA Hybrid 5/1 ARM 1/1/5	W67	High-Balance VA Hybrid 5/1 ARM 1/1/5	
3. ARM Adjustments	Index	One Year Treasury Bill per the Wall Street Journal			
	Margin	2.00% 2.25%			
	Life Floor	The Floor is the Margin			
	Interest Rate	Product	First	Subsequent	Lifetime
	Caps	5/1 (1/1/5)	1%	1%	5%
	Change Date	5/1	The first Change Date is the 61 st payment due date. Subsequent Change Dates are every twelve (12) months thereafter		
	Conversion Option	Not available			
4. Temporary Buydown	Not permitted				
5. Qualified Mortgage	All VA loans are considered QM Safe Harbor loans				
6. QM Rebuttable Presumption	<ul style="list-style-type: none"> AUS Approve/Accept Maximum 43% DTI 				
7. Seasoning	<ul style="list-style-type: none"> Borrower must have made at least six consecutive monthly payments on the loan being refinanced (the borrower may not pre-pay the current loan to meet 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 VA AUS. In addition to applying NewRez specific overlays, all loans submitted to AUS must comply with the AUS and VA 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.



VA Refinance Product Profile: Correspondent

NewRez overlays are identified with yellow highlighting

	IRRRL	CASH-OUT REFINANCE
	<ul style="list-style-type: none"> ○ Any interruption in the monthly payments before the initial six months of seasoning will require the Veteran to reset the minimum loan seasoning time frame. ○ The Note date of the refinance loan occurs no earlier than 210 days after the date on which the first monthly payment was due on the mortgage being refinanced ● For refinance of modified mortgages, the Note date of new loan must be on or after the later of: <ul style="list-style-type: none"> ○ The date that is 210 days after the date on which the first modified monthly payment was due on the mortgage being refinanced, and ○ The date on which six modified payments have been made on the mortgage being refinanced ● Cash-out Refinances <ul style="list-style-type: none"> ○ The following types of loans with no payments being refinanced are exempt from the above six-month payment seasoning requirements <ul style="list-style-type: none"> ▪ Balloon Mortgages ▪ Reverse Mortgages ▪ Non-mortgage Debt (e.g., tax liens, mechanics liens) ▪ Construction Loans ● All VA refinance transactions must include a copy of the original Note and most recent mortgage statement of the loan being refinanced. If the original Note is not available, reasonable alternatives can be considered to validate the loan being paid off was not subject to a recent modification. ● Construction to Permanent loans including renovation loans are exempt from 210-day seasoning requirement 	
8. Net Tangible Benefit	<ul style="list-style-type: none"> ● Delegated Clients are responsible for compliance with NTB requirements ● For loans underwritten by Newrez <ul style="list-style-type: none"> ○ A Net Tangible Benefit Worksheet must be completed on ALL refinance transactions regardless of AUS score. Refer to the <u>Newrez Net Tangible Benefit (NTB) Worksheet</u> ○ Recoupment of fees and incurred costs must occur within 36 months of the note date for all IRRRL and Type 1 Cash-out VA to VA refinances. ○ If the payment is increasing and does not meet the 36-month recoupment, closing costs and discount points cannot be charged 	

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



VA Refinance Product Profile: Correspondent

NewRez overlays are identified with yellow highlighting

	IRRRL	CASH-OUT REFINANCE
	IRRRL	NTB
	Fixed Rate to Fixed Rate	<ul style="list-style-type: none"> The new loan must have an interest rate that is at least 50 basis points less in interest rate compared to the interest rate on the loan being refinanced Recoupment of fees and incurred costs (excludes funding fee, escrows and prepaids) must occur within 36 months of the note date <p>Example: Interest rate for loan being refinanced is 4.5%. New loan must be no more than 4%</p>
	Fixed Rate to ARM	<ul style="list-style-type: none"> The new loan must have an interest rate that is at least 200 basis points less in interest rate than the interest rate on the loan being refinanced Recoupment of fees and incurred costs (excludes funding fee, escrows and prepaids) must occur within 36 months of the Note date <p>Example: Interest rate for loan being refinanced is 6.5%. New loan must be no more than 4.5%</p> <p>The payment of any discount points requires an appraisal and a maximum LTV of 90% or 100%, depending on the amount of discount points paid:</p> <ul style="list-style-type: none"> Less than or equal to 1% in discount points paid permits LTV maximum of 100% of the appraised value Greater than 1% in discount points paid permits LTV maximum of 90% of the appraised value <p>Acceptable Appraisals</p> <ol style="list-style-type: none"> Exterior-Only Inspection Residential Appraisal Report (Form 2055) Uniform Residential Appraisal Report (Form 1004)

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 VA AUS. In addition to applying NewRez specific overlays, all loans submitted to AUS must comply with the AUS and VA 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.



VA Refinance Product Profile: Correspondent

NewRez overlays are identified with yellow highlighting

	IRRRL	CASH-OUT REFINANCE
		3. Exterior-Only Inspection Individual Condominium Unit Appraisal Report (Form 1075) 4. Individual Condominium Unit Appraisal Report (Form 1073) NewRez will require the Veteran to pay for the appraisal. The cost must be included as part of the recoupment cost. The Veteran may only be charged a reasonable and customary amount, and only charged for one appraisal
	ARM to ARM	<ul style="list-style-type: none"> Reduction in interest rate is not required Recoupment of fees and incurred costs (excludes funding fee, escrows and prepaids) must occur within 36 months of the Note date
	ARM to Fixed Rate	<ul style="list-style-type: none"> Reduction in interest rate is not required Recoupment of fees and incurred costs (excludes funding fee, escrows and prepaids) must occur within 36 months of the note date
	Cash-out Refi	NTB
	Must meet at least one of the eight net tangible benefits	i. The new loan eliminates monthly mortgage insurance, whether public or private, or monthly guaranty insurance; ii. The term of the new loan is shorter than the term of the loan being refinanced; iii. The interest rate on the new loan is lower than the interest rate on the loan being refinanced; iv. The payment on the new loan is lower than the payment on the loan being refinanced; v. The new loan results in an increase in the borrower’s monthly residual income; vi. The new loan refinances an interim loan to construct, alter, or repair the home; vii. The new loan amount is equal to or less than 90 percent of the reasonable value of the home; or viii. The new loan refinances an adjustable rate loan to a fixed rate loan.

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



VA Refinance Product Profile: Correspondent

NewRez overlays are identified with yellow highlighting

	IRRRL	CASH-OUT REFINANCE
		Refer to the Net Tangible Benefit Worksheet for additional requirements on the above benefits
	Fixed Rate to Fixed Rate	Type 1 VA to VA: <ul style="list-style-type: none"> The new loan must have an interest rate that is at least 50 basis points less in interest rate compared to the interest rate on the loan being refinanced Recoupment of fees and incurred costs (excludes escrows and prepaids) must occur within 36 months of the Note date
	Fixed Rate to ARM	Type 1 VA to VA: <ul style="list-style-type: none"> The new loan must have an interest rate that is at least 200 basis points (2%) less in interest rate than the interest rate on the loan being refinanced. A maximum LTV of 90% is required if the borrower pays greater than 1% in discount points Recoupment of fees and incurred costs (excludes escrows and prepaids) must occur within 36 months of the Note date
9. Power of Attorney	Permitted	
10. Eligible AUS Decision	Not applicable	<ul style="list-style-type: none"> Accept/Eligible Approve/Eligible <p>Note: Sponsored originations with NewRez should be reflected in AUS findings.</p>
11. Manual Underwrite	All loans must be manually underwritten	The following must be manually underwritten <ul style="list-style-type: none"> A manual downgrade from an AUS Accept if additional information is not considered by the AUS that affects the overall insurability or eligibility of the mortgage AUS Refer
12. Qualifying Rate	Note rate	

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 VA AUS. In addition to applying NewRez specific overlays, all loans submitted to AUS must comply with the AUS and VA 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.



VA Refinance Product Profile: Correspondent

NewRez overlays are identified with yellow highlighting

	IRRRL	CASH-OUT REFINANCE			
13. Compensating Factors	Compensating factors, when exceeding 41% DTI when credit qualifying include, but are not limited to the following: <ul style="list-style-type: none"> • excellent credit history • conservative use of consumer credit • minimal consumer debt • long-term employment • significant liquid assets • sizable down payment • the existence of equity in refinancing loans • little or no increase in shelter expense • military benefits • satisfactory homeownership experience • high residual income • low DTI ratio • tax credits for childcare • tax benefits of home ownership 				
14. Residual Income	Loan Amounts \$79,999 and Below				
	Family Size	Northeast	Midwest	South	West
	1	\$390	\$382	\$382	\$425
	2	\$654	\$641	\$641	\$713
	3	\$788	\$772	\$772	\$859
	4	\$888	\$868	\$868	\$967
	5	\$921	\$902	\$902	\$1004
	Above 5	Add \$75 for each additional member up to a family of seven			
	Loan Amounts \$80,000 and Above				
	1	\$450	\$441	\$441	\$491
	2	\$755	\$738	\$738	\$823
	3	\$909	\$889	\$889	\$990
	4	\$1025	\$1003	\$1003	\$1117
	5	\$1062	\$1039	\$1039	\$1158
Above 5	Add \$80 for each additional member up to a family of seven				

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 VA AUS. In addition to applying NewRez specific overlays, all loans submitted to AUS must comply with the AUS and VA 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.



VA Refinance Product Profile: Correspondent

NewRez overlays are identified with yellow highlighting

	IRRRL	CASH-OUT REFINANCE
15. Types of Financing	<ul style="list-style-type: none"> • Non-credit Qualifying IRRRL • Credit Qualifying IRRRL (PITI increases by 20%) 	<ul style="list-style-type: none"> • Cash-out Refi <ul style="list-style-type: none"> ○ Type 1 Cash-out Refi: The loan amount of the new loan is less than or equal to 100% of the payoff amount of the loan being refinanced ○ Type 2 Cash-out Refi: The loan amount of the new loan is greater than 100% of the payoff amount of the loan being refinanced
16. Incidental Cash Back	<ul style="list-style-type: none"> • Incidental cash back to the borrower permitted for minor closing adjustments not to exceed \$500 • No cash back permitted for owner occupied properties located in Texas) 	NA
17. Eligible Subordinate Financing	<ul style="list-style-type: none"> • Existing subordinate financing • No satisfaction of subordinate liens 	<ul style="list-style-type: none"> • Type 1 Cash-out Refinance: existing secondary financing must be subordinated • Type 2 Cash-out Refinance: existing secondary financing may be subordinated
18. Ineligible Subordinate Financing	New subordinate financing	
19. Texas Owner-Occupied Properties	<ul style="list-style-type: none"> • If the first mortgage or second lien is subject to Texas Section 50(a)(6), VA financing not permitted • A copy of the current mortgage or note is required to determine the previous terms are not 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) 	<ul style="list-style-type: none"> • If the first mortgage or second lien is subject to Texas Section 50(a)(6), VA financing not permitted • A copy of the current mortgage or note is required to determine whether 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)

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 VA AUS. In addition to applying NewRez specific overlays, all loans submitted to AUS must comply with the AUS and VA 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.



VA Refinance Product Profile: Correspondent

NewRez overlays are identified with yellow highlighting

	IRRRL	CASH-OUT REFINANCE	
	<ul style="list-style-type: none"> Eligible transactions not subject to 50(a)(6); the borrower may not receive cash back at closing 	<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"> Max 80% LTV/CLTV 12-month seasoning for any Texas Section 50(a)(6) loan (first or second) <ul style="list-style-type: none"> Cash back not permitted No additional funds may be included in the loan amount (except closing costs and prepaids) No new subordinate financing 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 (Cash-out Refinance Program only; not eligible for IRRRL)		
	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)

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 VA AUS. In addition to applying NewRez specific overlays, all loans submitted to AUS must comply with the AUS and VA 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.



VA Refinance Product Profile: Correspondent

NewRez overlays are identified with yellow highlighting

	IRRRL	CASH-OUT REFINANCE	
	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)
	Borrower may elect to have loan remain a Texas 50(a)(6). Refer to Texas 50(a)(6) product profile		
20. Guaranty/Entitlement	Guaranty automatic	<ul style="list-style-type: none"> Veteran must provide evidence of available entitlement. Certificate of Eligibility must be dated within six months of the application VA mortgages must have at least 25% VA Loan Guaranty and/or down payment or equity, based on the Sales Price or Appraised Value, whichever is less to meet Ginnie Mae requirements Refer to the Newrez Underwriting Guide (chapter 3A) for additional requirements and maximum loan calculation worksheets. 	
21. VA Funding Fee	VA funding fee .50% applies unless Veteran is exempt	<ul style="list-style-type: none"> VA funding fee may be partially financed and partially paid in cash when restricted by the LTV Apply the appropriate funding fee unless the Veteran is exempt The higher subsequent use fee does not apply if the Veteran's only prior use of entitlement was for a manufactured home <u>NOT classified</u> as real estate 	
		Loans Closed on or After 04/07/2023	
		Veteran	First Use
		Subsequent Use	

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



VA Refinance Product Profile: Correspondent

NewRez overlays are identified with yellow highlighting

	IRRRL	CASH-OUT REFINANCE		
		Active Duty Reserves National Guard	2.15%	3.3%
22. Occupancy	<ul style="list-style-type: none"> Primary residence Second homes Non-owner occupied <p>For second homes and non-owner occupied properties, the Veteran must certify that the property was previously occupied as the primary residence (VA Form 26-1820)</p>	Primary residence		
23. Eligible Property Types	<ul style="list-style-type: none"> 1-4 units Condos: project approval not required Leasehold estates Manufactured housing Modular homes PUDs 	<ul style="list-style-type: none"> 1-4 units Condos <ul style="list-style-type: none"> Must be VA approved Michigan Site condos do not require project approval Leasehold estates Manufactured housing Modular homes PUDs 		
24. Ineligible Property Types	<ul style="list-style-type: none"> Condo hotels Co-ops Non-warrantable condos 			
25. State Requirement	Minimum Loan Amount \$10,000 in the state of Michigan			
26. Eligible Borrowers	<ul style="list-style-type: none"> Inter vivos revocable trust (living trust) The borrowers obligated on the original VA loan must be the same borrowers on the new loan and the Veteran must still own 	<ul style="list-style-type: none"> Must be a qualified Veteran or spouse Certificate of Eligibility must have sufficient entitlement to meet minimum 25% guaranty of total loan amount or Ginnie 		

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 VA AUS. In addition to applying NewRez specific overlays, all loans submitted to AUS must comply with the AUS and VA 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.



VA Refinance Product Profile: Correspondent

NewRez overlays are identified with yellow highlighting

	IRRRL			CASH-OUT REFINANCE
	the property. A change of obligors is permitted in the following cases:			Mae requirement of VA Guaranty plus down payment and/or equity that covers 25% of the Sales Price or Appraised Value, whichever is less
	Existing Loan	New Loan	Yes/No	
	Unmarried Vet	Veteran & new spouse	Yes	
	Vet	Different Veteran who has substituted his/her entitlement	Yes	
	Vet & Spouse	Divorced Veteran only	Yes	
	Vet & Spouse	Veteran & different spouse	Yes	
	Vet & Spouse	Spouse only (deceased Veteran)	Yes	
	Unmarried Vet	Spouse only (deceased Veteran)	No	
	Vet & Spouse	Divorced spouse only	No	
	When there has been a change in obligor, the following is required: <ul style="list-style-type: none"> • Review mortgage payment history • Surviving spouse or divorce, provide: <ul style="list-style-type: none"> ○ Divorce decree or death certificate; and ○ Statement from the obligor(s) on the ability to make payments on the new loan 			

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 VA AUS. In addition to applying NewRez specific overlays, all loans submitted to AUS must comply with the AUS and VA 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.



VA Refinance Product Profile: Correspondent

NewRez overlays are identified with yellow highlighting

	IRRRL	CASH-OUT REFINANCE
	<ul style="list-style-type: none"> For the addition of a different spouse, obtain a statement on the change in number of dependents, as applicable 	
27. Non-Occupant Co-Borrower	All borrowers must occupy the subject property for primary residence	The Veteran-borrower must occupy the subject property. Non-occupant borrowers may be eligible per VA Joint Loan policy
28. Credit	<ul style="list-style-type: none"> All borrowers must have a credit score Non-traditional credit not permitted A traditional credit report or alternate report such as the mortgage only report or soft pull, that provides credit scores, and mortgage payment history is acceptable. <ul style="list-style-type: none"> When using a credit report, the credit report can be either a tri-merge or single bureau; however, the Client must be consistent in the type of report utilized. 	<ul style="list-style-type: none"> Nontraditional credit is permitted <ul style="list-style-type: none"> Follow FHA Nontraditional Credit/Underwriting Requirements
29. Housing Payment History	<ul style="list-style-type: none"> Applies only to the first lien on the subject property Loan must be current at the time of application and closing Borrower must have made at least six consecutive payments on the existing mortgage, beginning with the payment made on the first payment due date Housing Payment History <ul style="list-style-type: none"> 0x30x6 Forbearance (Non-Delegated Clients) <ul style="list-style-type: none"> Non-Credit Qualify: Must have exited forbearance and made six payments within the month due 	<ul style="list-style-type: none"> Inclusive of all liens regardless of lien position Applies to all mortgages on all financed properties All loans must be current at time of application and closing Borrower must have made at least six consecutive payments on the mortgage being refinanced, beginning with the payment made on the first payment due date <p>Delegated Clients who underwrite and close loans in their own name</p>

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 VA AUS. In addition to applying NewRez specific overlays, all loans submitted to AUS must comply with the AUS and VA 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.



VA Refinance Product Profile: Correspondent

NewRez overlays are identified with yellow highlighting

	IRRRL	CASH-OUT REFINANCE
	<ul style="list-style-type: none"> ○ Credit Qualify: Must have exited forbearance and made one payment within the month due • Forbearance (Delegated Clients): Follow VA • Missed mortgage payments per the forbearance plan are not considered delinquent • Any interruption in the monthly payments before the initial six months seasoning requires the timeframe to be reset • Any deferred mortgage payments or late payment under CARES Act may be included in the loan amount • If the PITI increases by 20% or more, Veteran must credit qualify for the new monthly payment. Include a signed Lender certification that the Veteran qualifies for the new monthly payment which exceeds the previous PITI by 20% or more. 	<ul style="list-style-type: none"> • Follow AUS <p>For loans underwritten by Newrez</p> <ul style="list-style-type: none"> • Type 1 Cash-out Refi: 1x30x12 • Type 2 Cash-out Refi: 0x30x12 <p>Manual Downgrade is required for any loans if</p> <ul style="list-style-type: none"> • Any mortgage with >1x30x12; or • Any mortgage or other significant debt was currently ≥ 90 days past due. • A written explanation is required • Forbearance <ul style="list-style-type: none"> • (Delegated Clients): Follow VA • (Non-Delegated Clients) <ul style="list-style-type: none"> ○ Must have exited forbearance and made one payment within the month due prior to application • Missed mortgage payments per the forbearance plan are not considered delinquent • Any interruption in the monthly payments before the initial six months seasoning requires the timeframe to be reset • Any deferred mortgage payments or late payment under CARES Act may be included in the loan amount
30. Rental Payment History	NA	<ul style="list-style-type: none"> • Follow Approve/Accept • AUS Refer and Manual Underwrite/Downgrade <ul style="list-style-type: none"> ○ 24-month rental 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 VA AUS. In addition to applying Newrez specific overlays, all loans submitted to AUS must comply with the AUS and VA 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.



VA Refinance Product Profile: Correspondent

NewRez overlays are identified with yellow highlighting

	IRRRL	CASH-OUT REFINANCE
31. Assets	<ul style="list-style-type: none"> Asset verification not required If the PITI increases by 20% or more, Veteran must qualify for the new monthly payment; standard income documentation required: <ul style="list-style-type: none"> Must have sufficient liquid assets to close Non-liquid funds must be liquidated and deposited into a bank account if used for closing costs and reserves with supporting documentation 	<ul style="list-style-type: none"> Must have sufficient liquid assets to close and for reserves Non-liquid funds must be liquidated and deposited into a bank account if used for closing costs and reserves with supporting documentation
32. Reserves	Not required	<ul style="list-style-type: none"> 1-unit: none 2-4 units <ul style="list-style-type: none"> Rental income not used to qualify: none Rental income used to qualify: Six months Three months reserves if borrower owns other real estate. Reserves are based on PITI of REO property Reserves not required if rental income not used to qualify
33. Employment/ Income	<ul style="list-style-type: none"> Income and Employment documentation not required If the PITI increases by 20% or more, Veteran must qualify for the new monthly payment; standard income documentation required Non-Credit Qualifying <ul style="list-style-type: none"> Illinois (Cook, Kane, Peoria, and Will Counties) Requirements <ul style="list-style-type: none"> Income must be stated on the application 	<ul style="list-style-type: none"> Standard income documentation required Verbal VOE 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 VA AUS. In addition to applying NewRez specific overlays, all loans submitted to AUS must comply with the AUS and VA 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.



VA Refinance Product Profile: Correspondent

NewRez overlays are identified with yellow highlighting

	IRRRL	CASH-OUT REFINANCE
	<ul style="list-style-type: none"> ▪ Verification or analysis of income not required 	
34. IRS Form 4506-C	<ul style="list-style-type: none"> • 4506-C not required • If the PITI increases by 20% or more, Veteran must qualify for the new monthly payment; standard income documentation required; follow Cash-out Refi requirements 	<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 ○ 4506-C for the business tax return transcript(s) must be signed at closing when the business returns are used for qualification
35. Tax Transcripts	<p>For loans underwritten by NewRez, W-2, or tax transcripts, as applicable, must be obtained when:</p> <ul style="list-style-type: none"> • Handwritten paystubs are used as verification of income • There is a non-arm's length transaction • At the underwriter's discretion 	
36. Maximum Financed Properties	No restrictions	
37. Appraisals	<ul style="list-style-type: none"> • Appraisal report is not required when discount points are not charged <ul style="list-style-type: none"> ○ See Net Tangible Benefit for appraisal requirements when discount points are charged 	<ul style="list-style-type: none"> • A new appraisal completed by a VA approved or VA fee panel appraiser required • VA LAPP Underwriter will issue the NOV • Copy of the NOV must remain in the loan file

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 VA AUS. In addition to applying NewRez specific overlays, all loans submitted to AUS must comply with the AUS and VA 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.



VA Refinance Product Profile: Correspondent

NewRez overlays are identified with yellow highlighting

	IRRRL	CASH-OUT REFINANCE
	<ul style="list-style-type: none"> ○ VA Approved/Vee Fee Panel appraiser must not be used if an appraisal is 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), MBS Highway, Clear Capital ○ 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 *The above Kansas requirements do not apply to Supervised Lenders such as Banks and Credit Unions ● Properties located in a FEMA disaster area do not require a damage inspection report 	
38. Energy Efficient Mortgage (EEM) Program	Delegated Clients: IRRRL with EEM must result in a reduction of P&I and meet 36-month fee recoupment	Delegated Clients only
39. Principal Curtailment	The amount of the curtailment cannot exceed \$500 unless due to an excess Premium Pricing Credit	NA

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 VA AUS. In addition to applying NewRez specific overlays, all loans submitted to AUS must comply with the AUS and VA 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.



VA Refinance Product Profile: Correspondent

NewRez overlays are identified with yellow highlighting

	IRRRL	CASH-OUT REFINANCE
40. Escrow Waivers	Not permitted	
41. Disclosures	<ul style="list-style-type: none"> • Two IRRRL Loan Comparison & Recoup Statements are required. • Initial disclosure with application package to be based on Loan Estimate and Final disclosure to be based on Closing Disclosure 	<ul style="list-style-type: none"> • Two VA Cash-out Refinance disclosures are required • Initial disclosure with application and one at closing that compare terms of the refinance loan with loan being refinanced and amount of home equity being removed. See VA Circular 26-19-05 for details • Veteran must sign (wet sign or e-sign) to certify receipt of disclosures
42. Resources	Access VA Circulars	
43. Ineligible Program	<ul style="list-style-type: none"> • Farm Residence Loans • HFA Programs • HPML Loans • High Cost Loans • Rehabilitations loans • Specially Adapted Housing • Supplemental Loans <p>In addition to the above, the following are not eligible for Non-Delegated Clients</p> <ul style="list-style-type: none"> • Energy Efficient Mortgages (EEM) (Non-Delegated Clients) • Single-Close 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 VA AUS. In addition to applying NewRez specific overlays, all loans submitted to AUS must comply with the AUS and VA 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.



VA Refinance Product Profile: Correspondent

NewRez overlays are identified with yellow highlighting

44. Version History		
Section	Update	Date
Guaranty/ Entitlement	<ul style="list-style-type: none"> Added Certificate of Eligibility must be dated within six months of the application as an Overlay. Already on Overlay Matrix. Refer to the Newrez Underwriting Guide (chapter 3A) for additional requirements and maximum loan calculation worksheets. 	06.03.2025 V25.1
Loan Terms	IRRRL: Maximum loan term is the original term of the VA loan being refinanced plus 10 years, not to exceed 30 years + 32 days	08.28.25 V25.2
Non-traditional Credit Eligibility Grid	Added Manufactured Home information	10.30.2025 V25.3

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