

# Newrez Announcements



## Announcement 2024-010 SmartEdge, SmartSelf, SmartVest Product Summaries and SmartSeries Underwriting Guide Updates February 8, 2024

Newrez LLC "Newrez" Approved Correspondent Clients; effective with applications on or after February 8, 2024.

The SmartEdge, SmartSelf, and SmartVest Product Summaries have expanded eligibility to support higher loan amounts, minimum FICO scores and LTV/CLTV limits and removed FICO restrictions for 40 Yr IO product and Condotels.

### SmartEdge Updates:

SMARTEDGE ELIGIBILITY MATRIX				
Transaction Type	Units	Loan Amount	Credit Score	LTV/CLTV
<b>Primary Residence</b>				
Purchase	1-4	\$1,500,000	720	90%
Purchase	1-4	\$3,000,000	740	75%
Rate & Term		\$2,000,000	700	80%
Refi		\$1,000,000	660	80%
Cash-out Refi	1-4	\$2,000,000	720	80%
		\$1,500,000	700	80%
		\$1,000,000	680	75%
		\$1,000,000	660	70%

SMARTEDGE ELIGIBILITY MATRIX				
Transaction Type	Units	Loan Amount	Credit Score	LTV/CLTV <sup>1</sup>
<b>Investment Property</b>				
Purchase Rate & Term Refi	1-4	\$2,000,000	740	70%
		\$1,500,000	720	80%
		\$1,000,000	720	85%
		\$1,000,000	660	75%
Cash-out Refi	1-4	\$1,500,000	720	65%
		\$1,000,000	720	75%
		\$1,000,000	700	70%
		\$1,000,000	680	60%

**SmartSelf Updates:**

SMARTSELF ELIGIBILITY MATRIX				
Transaction Type	Units	Loan Amount	Credit Score	LTV/CLTV
<b>Primary Residence</b>				
Purchase	1-4	\$1,500,000	720	90%
Purchase Rate & Term Refi	1-4	\$3,000,000	740	75%
		\$2,000,000	700	80%
		\$1,000,000	660	80%
Cash-out Refi	1-4	\$2,000,000	720	80%
		\$1,500,000	700	80%
		\$1,000,000	680	75%
		\$1,000,000	660	70%

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SMARTSELF ELIGIBILITY MATRIX				
Transaction Type	Units	Loan Amount	Credit Score	LTV/CLTV
<b>Second Home</b>				
Purchase Rate & Term Refi	1-2	\$2,000,000	740	80%
		\$1,500,000	720	80%
		\$1,000,000	680	75%
		\$1,000,000	660	70%
Cash-out Refi	1	\$1,500,000	740	80%
		\$1,000,000	720	80%
		\$1,000,000	700	75%
		\$1,000,000	680	70%

SMARTSELF ELIGIBILITY MATRIX				
Transaction Type	Units	Loan Amount	Credit Score	LTV/CLTV
<b>Investment Property</b>				
Purchase Rate & Term Refi	1-4	\$2,000,000	740	70%
		\$1,500,000	720	80%
		\$1,000,000	720	85%
		\$1,000,000	660	75%
Cash-out Refi	1-4	\$1,500,000	720	65%
		\$1,000,000	720	75%
		\$1,000,000	700	70%
		\$1,000,000	680	60%

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**SmartVest Updates:**

SMARTVEST ELIGIBILITY MATRIX				
Transaction Type	Units	Loan Amount	Credit Score	LTV/CLTV <sup>1</sup>
Purchase Rate & Term Refi	1-4	\$2,000,000	740	70%
		\$1,500,000	720	80%
		\$1,000,000	720	85%
		\$1,000,000	660	75%
Cash-out Refi	1-4	\$1,000,000	680	60%
		\$1,000,000	700	70%
		\$1,000,000	720	75%
		\$1,500,000	720	65%

Current Policy	New Policy
<b>Maximum Cash-Out</b>	<b>Maximum Cash-Out</b>
For cash-out refinance transaction the application date must be dated at least six months after the previous Note date of the last Smart Series cash out refinance loan with the company	For cash-out refinance transactions, the amount of cash out proceeds from any SmartSeries cash out refinance loans within 6 months of the note date must be included in the cumulative cash out limitation
<b>Reserves</b>	<b>Reserves</b>
≤ \$1,000,000 - 3 months >\$1,000,000 & ≤ \$2,000,000 – 6 months	ADDED NEW Reserves to support \$3M loan amount Loan amount > \$2,000,000 & ≤ \$3,000,000 - 9 months reserves

The SmartSeries Underwriting Guide has been updated with the following:

### **8A.1(g) Allowable Age of Income Tax Returns**

This section of the guide has been updated to support 2023 Income Tax Return Filing dates.

### **8A.7(n) Restricted Stock Units and Stock Options (SmartEdge)**

Removed the restriction that Restricted Stock units are not permitted with a non-warrantable condo.

### **1A.8(f)(ii) Non-Permanent Resident Alien**

A Non-Permanent Resident Alien is a non-U.S. citizen who lawfully enters the U.S. for specific time-periods under the terms of a Visa. All non-permanent resident aliens must provide evidence of an acceptable Visa showing them to be legally present and eligible to work in the US.

Expiring Visas: If the authorization for temporary residency status will expire within one (1) year prior to the Note date and a prior history of residency status renewals exist, continuation may be assumed. If there are no prior renewals, the likelihood of renewal must be determined, based on information from USCIS.

Refer to the Underwriting Guide for Eligible Visa Types.

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## **Questions**

If you have any questions regarding any information in this announcement, please feel free to contact your regional sales manager or client manager.

[Newrezcorrespondent.com](https://www.newrez.com/correspondent)

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## Client Development

We offer a comprehensive training curriculum on Newrez products and processes, to keep your staff informed of the latest developments in products, technology solutions, compliance issues and process improvements. Each of these programs is offered by our training and development staff on a monthly basis and is updated regularly to reflect recent changes in the industry. Visit our [training site](#).