

Newrez Announcements



Announcement 2022-023 VA Eligibility Updates

February 28, 2022

Overview

Newrez Approved Correspondent Clients: Newrez has removed, or revised VA underwriting overlays outlined below. These changes are effective immediately for all new locked loans.

VA Transactions Overlay Removals		
Topic	Current Guideline	New Guideline
VA Product Profile Eligibility Updates		
Purchase (excluding MH)	AUS Approve/Accept <ul style="list-style-type: none"> 720 to \$2,500,000 to 95% LTV/CLTV to 45% DTI 700 to \$2,000,000 to 100% LTV/CLTV to 45% DTI <ul style="list-style-type: none"> DTI ≤ 55% requires 250% residual income 680 to \$1,500,000 to 100% LTV/CLTV to 45% DTI <ul style="list-style-type: none"> DTI ≤ 55% requires 250% residual income 580 to \$1,000,000 to 100% LTV/CLTV to 60% DTI <ul style="list-style-type: none"> DTI > 60% requires <ul style="list-style-type: none"> 720 credit score 0x30x12 housing payment history 250% VA Residual Income 	AUS Approve/Accept <ul style="list-style-type: none"> 720 to \$2,500,000 to 95% LTV/CLTV to 45% DTI 720 to \$2,000,000 to 100% LTV/CLTV to 55% DTI 700 to \$2,000,000 to 100% LTV/CLTV to 45% DTI 720 to \$1,500,000 to 100% LTV/CLTV and DTI per AUS 680 to \$1,500,000 to 100% LTV/CLTV to 55% DTI 680 to \$1,000,000 to 100% LTV/CLTV and DTI per AUS 580 to \$1,000,000 to 100% LTV/CLTV to 55% DTI 580 to \$650,000 to 100% LTV/CLTV and DTI per AUS <p>Residual Income requirements (of 250%) for higher DTIs was removed</p>

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Purchase Manufactured Homes	Manufactured Home Primary Residence Approve/Accept <ul style="list-style-type: none"> • 580 to \$1,000,000 to 100% LTV/CLTV to 50% DTI Refer/Eligible and Manual Underwrite <ul style="list-style-type: none"> • Manufactured Home not permitted 	Manufactured Home Primary Residence Approve/Accept <ul style="list-style-type: none"> • 580 to \$1,000,000 to 100% LTV/CLTV to 55% DTI • 580 to \$ 650,000 to 100% LTV/CLTV and DTI per AUS Refer/Eligible and Manual Underwrite <ul style="list-style-type: none"> • 580 to \$1,000,000 to 100% LTV/CLTV to 55% DTI
Cash-out Refinance (excluding MH)	AUS Approve/Accept <ul style="list-style-type: none"> • 720 to \$2,500,000 to 95% LTV/CLTV to 45% DTI • 700 to \$2,000,000 to 100% LTV/CLTV to 45% DTI <ul style="list-style-type: none"> ◦ DTI ≤ 55% requires 250% residual income • 680 to \$1,500,000 to 100% LTV/CLTV to 45% DTI <ul style="list-style-type: none"> ◦ DTI ≤ 55% requires 250% residual income • 640 to \$1,000,000 to 100% LTV/CLTV to 60% DTI <ul style="list-style-type: none"> ◦ DTI > 60% requires the following: <ul style="list-style-type: none"> ▪ 720 credit score ▪ 0x30x12 ▪ 250% Residual Income • 580 to \$1,000,000 to 90% LTV/CLTV to 55% DTI <p>Loan terms 16-to 30-year fixed rate LTV > 90%</p>	AUS Approve/Accept <ul style="list-style-type: none"> • 720 to \$2,500,000 to 95% LTV/CLTV to 45% DTI • 720 to \$2,000,000 to 100% LTV/CLTV to 55% DTI • 700 to \$2,000,000 to 100% LTV/CLTV to 45% DTI • 720 to \$1,500,000 to 100% and DTI per AUS • 680 to \$1,500,000 to 100% LTV/CLTV to 55% DTI • 680 to \$1,000,000 to 100% LTV/CLTV and DTI per AUS • 580 to \$1,000,000 to 100% LTV/CLTV to 55% DTI • 580 to \$650,000 to 100% LTV/CLTV and DTI per AUS <ul style="list-style-type: none"> • 30-year fixed rate for LTV > 90% • Residual Income requirements (of 250%) for higher DTIs was removed
Cash-out Refinance Manufactured Homes	Primary Residence Manufactured Home <ul style="list-style-type: none"> • 580 to \$1,000,000 to 90% LTV/CLTV to 50% DTI Refer/Eligible and Manual Underwrite <ul style="list-style-type: none"> • Manufactured Home not permitted 	Primary Residence Manufactured Home <ul style="list-style-type: none"> • 580 to \$1,000,000 to 90% LTV/CLTV to 55% DTI • 580 to \$650,000 to 90% LTV/CLTV and DTI per AUS Refer/Eligible and Manual Underwrite <ul style="list-style-type: none"> • Primary Residence Manufactured Home <ul style="list-style-type: none"> ◦ 580 to \$1,000,000 to 90% LTV/CLTV to 55% DTI

Interest Rate Reduction Refinance Loans (IRRRL) (excluding MH)	Credit Qualifying <ul style="list-style-type: none"> • 720 to \$2,500,000 to 45% DTI • 700 to \$2,000,000 to 45% DTI <ul style="list-style-type: none"> ○ DTI ≤ 55% requires 250% residual income • 680 to \$1,500,000 to 45% DTI <ul style="list-style-type: none"> ○ DTI ≤ 55% requires 250% residual income • 580 to \$1,000,000 to 50% DTI 	Credit Qualifying <ul style="list-style-type: none"> • 720 to \$2,500,000 to 45% DTI • 720 to \$2,000,000 to 55% DTI • 700 to \$2,000,000 to 45% DTI • 680 to \$1,500,000 to 45% DTI • 580 to \$1,000,000 to 55% DTI <p>Residual Income requirements (of 250%) for higher DTIs was removed</p>
Interest Rate Reduction Refinance Loans (IRRRL) Manufactured Homes	Primary Residence Manufactured Home <ul style="list-style-type: none"> • Non-Credit Qualifying <ul style="list-style-type: none"> ○ 620 to \$1,000,000 to 105% LTV/125% CLTV • Credit Qualifying • 620 to \$1,000,000 to 105% LTV/125% CLTV to 50% DTI 	Primary Residence Manufactured Home <ul style="list-style-type: none"> • Non-Credit Qualifying <ul style="list-style-type: none"> ○ 580 to \$1,000,000 to 105/125 LTV/CLTV • Credit Qualifying <ul style="list-style-type: none"> ○ 580 to \$1,000,000 to 105/125 LTV/CLTV to 55% DTI

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

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