

Newrez Announcements



Announcement 2022-045 VA Overlay Removals and Revisions

June 6, 2022

Overview

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

VA Manufactured Home Overlay Removals		
Topic	Current Guideline	New Guideline
VA Underwriting Guide Updates		
Subordinate Financing Product Profile	New subordinate financing not permitted	New subordinate financing permitted for a purchase transaction
Chapter 3B Transactions 3B.6 New Construction	Not permitted	<ul style="list-style-type: none"> Added VA New Construction requirements, including manufactured homes Self-built and borrower acting as own general contractor are not permitted
Chapter 3B Transactions 3B.7 Construction-to-Permanent Financing	Not permitted	<ul style="list-style-type: none"> Added VA Construction-to-Permanent Financing
Chapter Transactions 3B.8 Single-Close Financing	Not permitted	<ul style="list-style-type: none"> Delegated Clients Only Added VA requirements for Single-Close financing Self-built and borrower acting as own general contractor are not permitted

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Chapter 3B Transactions 3B.9 Two-Close Financing	Not permitted	<ul style="list-style-type: none"> • Added VA requirements for Two-Close financing • Self-built and borrower acting as own general contractor are not permitted
Chapter 3B Transactions 3B.12 Energy Efficient Mortgages	This program is available for Delegated Clients only and must comply with the VA Lenders Handbook	<ul style="list-style-type: none"> • Delegated Clients Only • Added complete requirements for EEM mortgages

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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