



## **Announcement 2022-074** **SmartEdge, SmartSelf, and SmartVest Loan Amount Updates** **October 6, 2022**

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### **Overview**

Newrez LLC “Newrez” Approved Correspondent Clients: Newrez has enhanced and updated the Smart Series product line as part of our continuing efforts to provide competitive, Non-QM financing options to our customers.

The following loan amount, LTV, and credit score updates are effective for all loans locked on or after October 5, 2022. Any loan that is not locked must comply with these guidelines.

- SmartSelf and SmartEdge loan amounts offered up to \$2,000,000
- SmartVest financing terms offered up to \$1,500,000
- Each of these programs continue to provide financing for Owner Occupied, Second Home and Investment properties as permitted by program guidelines
- FICO scores range from 660 to 720 for Purchase, Rate/Term and Cash out refinance transactions

### Enhancements:

- SmartEdge increase DTI from 43% to 50% on 40 year I/O program
- SmartVest enhancements to Qualifying rate and DCR Calculation:
  - Qualifying Rate: I/O Fixed rate: Interest only payment for the initial 10 yr. interest only period
  - Debt Coverage Ratio: (DCR) Permit DCR using interest only payment plus taxes, insurance, and HOA fee payment (ITIA)

SMARTVEST Updates 10/05/22				
Topic	Current Guideline		New Guideline	
Maximum Loan Amounts	Investment Property Up to \$2,000,000		Investment Property Up to \$1,500,000	
LTV Ratio	Up to 80%		Up to 75% LTV	
Minimum Credit Score	660		same	
Investment properties	1 to 4 Unit		same	
SMARTVEST ELIGIBILITY MATRIX				
Transaction Type	Units	Loan Amount	Credit Score	LTV/CLTV
Purchase and Rate & Term	1-4	\$1,500,000	720	75%
		\$1,000,000	660	70%
Cash-out Refi	1-4	\$1,000,000	720	70%
		\$1,000,000	680	65%

SMARTEDGE Updates 10/05/22				
Topic	Current Guideline		New Guideline	
Maximum Loan Amounts	Primary: up to \$3,000,000 Second Home: up to \$3,000,000 Investment: Up to \$2,000,000		Primary: up to \$2,000,000 Second Home: up to \$2,000,000 Investment: Up to \$1,500,000	
LTV Ratio	Up to 90%		Up to 85% LTV	
Minimum Credit Score	Primary Residence: 660 Second Home: 660 Investment Property: 680		same	
Primary Residence	1 to 4 units		same	
Second Home	1 to 2 (Cash Out: 1 unit)		same	
Investment properties	1 to 4 Unit		same	
SMARTEDGE ELIGIBILITY MATRIX				
Transaction Type	Units	Loan Amount	Credit Score	LTV/CLTV
Primary Residence				
Purchase and Rate & Term	1-4	\$2,000,000	720	85%
		\$2,000,000	700	80%
		\$1,500,000	680	80%
		\$1,000,000	660	75%
Cash-out Refi	1-4	\$2,000,000	740	85%
		\$2,000,000	720	80%
		\$1,500,000	700	80%
		\$1,000,000	680	75%
		\$1,000,000	660	70%
Second Home				
Purchase and Rate & Term	1-2	\$2,000,000	740	80%
		\$1,500,000	720	80%
		\$1,000,000	680	75%
		\$1,000,000	660	70%

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Cash-out Refi	1	\$1,500,000	740	80%
		\$1,000,000	720	80%
		\$1,000,000	700	75%
		\$1,000,000	680	70%
Investment Property				
Purchase and Rate & Term	1-4	\$1,500,000	720	75%
		\$1,000,000	700	70%
		\$1,000,000	680	65%
Cash-out Refi	1-4	\$1,000,000	720	75%
		\$1,000,000	700	70%
		\$1,000,000	680	65%

SMARTSELF Updates 10/05/22				
Topic	Current Guideline		New Guideline	
Maximum Loan Amounts	Primary : up to \$3,000,000 Second Home: Up to \$2,000,000 Investment: Up to \$1,500,000		Primary: up to \$2,000,000 Second home: up to \$1,500,000 Investment: Up to \$1,000,000	
LTV Ratio	Up to 80%		Up to 85% LTV	
Minimum Credit Score	660		same	
Primary Residence	1 to 4 units		same	
Second Home	1 to 2 units (Cash out: 1 unit)		same	
Investment properties	1 to 4 Unit		same	
SMARTSELF ELIGIBILITY MATRIX				
Transaction Type	Units	Loan Amount	Credit Score	LTV/CLTV
Primary Residence				
Purchase and Rate & Term	1-4	\$2,000,000	720	85%
		\$1,500,000	680	80%
		\$1,000,000	660	75%
Cash-out Refi	1-4	\$1,500,000	720	75%
		\$1,000,000	680	70%
Second Home				
Purchase and Rate & Term	1-2	\$1,500,000	720	75%
		\$1,000,000	680	70%
Cash-out Refi	1	\$1,500,000	720	70%
		\$1,000,000	680	65%
Investment Property				
Purchase and Rate & Term	1-4	\$1,000,000	720	70%
		\$1,000,000	680	65%
Cash-out Refi	1-4	\$1,000,000	720	65%
		\$1,000,000	680	60%

## 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](http://Newrezcorrespondent.com)

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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](#).