

Newrez Announcements



Announcement 2024-026 SmartEdge, SmartSelf and SmartVest Product Summary and SmartSeries Underwriting Guide Updates April 29, 2024

Newrez LLC "Newrez" Approved Correspondent Clients; effective with applications on or after April 29, 2024.

The SmartEdge, SmartSelf and SmartVest Product Summaries have been updated as follows:

Current Policy	New Policy
Sellers Contributions (All Products)	Sellers contributions (All Products)
Contributions for investment property – 2%	Contributions for investment property – 3%
Reserves (SmartSelf & SmartVest)	Reserves (SmartSelf & SmartVest)
Proceeds from the transaction cannot be used for reserves.	Cash proceeds from the transaction may be used for reserves

The SmartSelf Product Summary has been updated as follows:

Current Policy	New Policy
Ineligible Property	Eligible Property
Condotels	Condotels <ul style="list-style-type: none">Maximum 75% LTV/CLTV for cash-out refi or the maximum based on loan amount

The SmartVest Product Summary has been updated as follows:

Current Policy	New Policy
Debt Service Coverage Ratio (DSCR)	Debt Service Coverage Ratio (DSCR)
<ul style="list-style-type: none"> DSCR First Time Investor = 1.25 	<ul style="list-style-type: none"> DSCR First Time Investor = 1.15

The SmartSeries Underwriting Guide has been updated with the following:

Current Policy	New Policy
Transaction Types	Transaction Types
<p>2A.1(a) Non-Arm's length Transactions</p> <p>SmartSelf and SmartEdge</p> <p>Non-arm's length transactions are permitted subject to all of the following requirements:</p> <ul style="list-style-type: none"> Family member transactions permitted on owner occupied only; 	<p>2A.1(a) Non-Arm's length Transactions</p> <p>SmartSelf and SmartEdge</p> <p>Non-arm's length transactions are permitted subject to all of the following requirements:</p> <ul style="list-style-type: none"> Family member transactions permitted on owner occupied and second home properties only; <p>Refer to SmartSeries Underwriting Guide for complete guidelines for Non-Arm's length transactions</p>
Property Types	Property Types
<p>4A.1 (e) Condotel</p> <p>Condotels must meet all Fannie Mae or Freddie Mac warrantable condo project guidelines, existing or new construction, with the following exceptions:</p> <ul style="list-style-type: none"> Rental Income may not be used for qualifying income; (SmartEdge) 	<p>4A.1 (e) Condotel</p> <p>Condotels must meet all Fannie Mae or Freddie Mac warrantable condo project guidelines, existing or new construction, with the following exceptions:</p> <ul style="list-style-type: none"> Removed Bullet <p>Refer to SmartSeries Underwriting Guide for complete guidelines for Condotels</p>

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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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](#).