

Newrez Announcements



Announcement 2024-071 Underwriting Guideline Updates – Government

October 24, 2024

Newrez LLC "Newrez" Approved Correspondent Clients; this announcement contains the following information:

- Most recent agency announcements, effective immediately for all loans in the pipeline, unless otherwise noted
- Clarifications and/or corrections to the Newrez Guides as of October 24, 2024
- This memo also includes a summary of:
 - Previously announced guidelines have now been incorporated into the Newrez Underwriting Guide.
 - Updates to the Product Summaries and/or Overlay Matrix.

Please use this announcement as guidance until all applicable underwriting guides are published.

Agency Announcements

- None issued

Newrez Underwriting Guide Updates

- n/a
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Prior Agency Announcements

FHA Streamline and VA IRRRL Credit has been updated in the Product Profiles. The guide will be updated at a later date to expand the eligible credit report types to include Soft Pulls.

The Soft Pull is an eligible credit report type only for FHA and VA Streamline transactions and a credit report disclosure must be issued to the borrower for this report type.

Product Profile Releases and Overlay Matrix Updates

Product Profile Releases

FHA Streamline Refinance

- Updated the Non-Credit Qualifying Credit section with below:
 - A traditional credit report or alternate report, such as the mortgage only report or soft pull, that provides credit scores, and mortgage payment history is acceptable
 - i. When using a credit report, the credit report can be either a tri-merge or single bureau; however, the Client must be consistent in the type of report utilized.

VA Purchase

- QM Rebuttable Presumption Update to below
 - AUS Approve/Accept
 - Maximum 43% DTI

VA Refinance

- QM Rebuttable Presumption Update to below
 - AUS Approve/Accept
 - Maximum 43% DTI
- VA IRRRL Credit
 - A traditional credit report or alternate report such as the mortgage only report or soft pull that provides credit scores, and mortgage payment history is acceptable.
 - i. When using a credit report, the credit report can be either a tri-merge or single bureau; however, the Client must be consistent in the type of report utilized.

USDA Purchase and Rate-Term Refinance

- Manual Underwrite
 - All loans must be submitted to GUS except loans under the Pilot program for existing manufactured homes.
- Eligible Property Types
 - Pilot program loans must be manually underwritten. GUS is only used to enter basic loan information and to upload loan documents. Refer to USDA job aid for details.

Overlay Matrix Updates

- Housing Choice Voucher Program (Section 8) – added FHA, VA and USDA as ineligible for Housing Authority to pay the mortgage lender directly. Housing Choice Vouchers payments are only allowed if funds are sent directly to the borrower
 - Rebuttable Presumption – Removed VA – no longer an overlay
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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](#).