Express Closed-End Seconds (CES) FAQ

CREDIT, PRICING AND LOCKING

Is the initial credit pull a soft pull?

- Yes. The initial credit pull is a single-bureau soft credit pull. Prior to submission to underwriting, a tri-merge credit report will be ordered by the internal team.

If a hard credit pull has already been completed by the broker, can it be reissued in the Newrez system instead of the soft pull?

- Not for the second mortgage program. The credit report obtained through Newrez will be used.

Will the broker's credit score be used for pricing?

- No. Pricing will be based on the credit score obtained from Newrez soft credit pull.

Can loans be submitted to underwriting without locking?

- No, loans must be locked prior to submission to underwriting.

Will pricing default to a standard setting to avoid showing "No Products Available"?

- Yes. Certain fields, including pricing terms, will default to a standard configuration to help streamline the process and reduce manual entry.

Can brokers lock a loan quickly and upload documents later, like first mortgages?

- Yes. However, the 3.4 File must be imported before proceeding with additional steps.

Is the lender fee waived?

- Yes, there is currently no lender administrative fee on this product. Fees are subject to change.

What is the minimum credit score and loan amount?

- The current minimum credit score is 660, and the minimum loan amount Is $75,000.

CLOSING, TITLE AND BROKER COMPENSATION

How does the closing process work, and how is broker compensation paid?

- Closing will be scheduled by the processor in coordination with the borrower. Closings are typically conducted with a mobile notary. Broker compensation is disbursed by the Settlement Agent in accordance with standard practices.

Is Newrez TitlePass available for second mortgages?

- No, Newrez TitlePass is currently only available on eligible conventional first mortgage refinance transactions.

Can brokers choose their own title company?

- No, these loans will utilize Newrez approved national title providers (Avenue 365, Mortgage Connect, Vylla).

Will partners have access to the signed closing package for quality control purposes?

- Yes, the signed package will be available through Blueprint.

BROKER COMPENSATION

How is broker compensation structured?

- This product is currently offered as a brokered loan. Compensation follows first mortgage origination guidelines and may be structured as borrower-paid or lender-paid compensation, depending on applicable state regulations. Certain states may require lender-paid compensation only.

PROCESSING, CONDITIONS AND WORKFLOW

Are brokers required to pull credit to submit a loan?

- Yes. As part of the registration process, the broker will order credit through Blueprint after the second lien product is assigned.

Where is credit imported and the scorecard run?

- Importing credit and running Loan Scorecard is not required for this program.

Is an Automated Valuation Model (AVM) used for loan amounts under $350,000?

- Yes. The AVM requirement is based on the loan amount (≤ $350,000) rather than the property value.

Will there be a designated processor each time or a rotation of several for partners?

- There is a dedicated processing team supporting these loans. Files are assigned on a rotating basis to ensure efficiency and coverage.

Can brokers upload documents through Blueprint?

- No. In this process, documentation is collected directly from the borrower. Borrowers will upload required documents through the Home Loan Portal.

Will brokers still have access to the Condition Panel?

- Yes. The Condition Panel will be available in read-only mode for broker visibility into outstanding conditions.

Who should a broker contact with questions during the process?

- Brokers should contact their Customer Relationship Manager (CRM) or Account Executive for questions on loans in process.

Are there service level agreements (SLAs) for conditions and turn times?

- Turn times are expected to align with current first-lien service levels but may vary based on volume and market conditions.

How long does it take to receive an approval?

- The target is to provide approval within 24-48 hours of submission to underwriting, though actual timelines may vary.

Is there a submission checklist to help minimize conditions?

- Yes, the existing Delegated Underwriting (DTU) Closed-End Second checklist applies. Blueprint will also identify required items during submission.

Will brokers receive loan status updates?

- Yes, brokers will receive automated loan status notifications at key milestones, including:
  - Loan approval
  - Appraisal received
  - Lock Updates
  - Clear-to-close
  - Loan funded

PRODUCT SCOPE AND ELIGIBILITY

Are there acreage limits?

- Yes, properties are limited to a maximum of 10 acres.

What is the maximum loan-to-value (LTV)?

- The maximum loan-to-value is generally 80%, subject to state and program limitations.

Will Home Equity Lines of Credit (HELOCs) or purchase second liens be offered in the future?

- Future product offerings are under review. Currently, only Closed-End Second lien refinance transactions are available.

Can this product be used with a Veterans Affairs (VA) loan?

- Yes, a second lien may be placed behind an eligible VA loan for refinance transactions. Purchase transactions are not currently available.

The Newrez Home Equity Loan program allows the borrower to keep their current mortgage rate unchanged while taking out a second mortgage at current market rates. The minimum credit score for this program is 660, and it is only available on properties with one existing mortgage lien. Loan amounts must meet program minimums and maximums, and loans are subject to maximum loan-to-value limits as well as other underwriting rules. Geographic restrictions apply.