



VA Purchase Product Profile: Wholesale

NewRez overlays are identified with yellow highlighting

VA ELIGIBILITY MATRIX						
Excludes Manufactured Housing						
Units	Transaction Type	Loan Amount	Credit Score	LTV	CLTV	DTI
1-4	Purchase	\$1,500,000	700	100%	100%	Per AUS
		\$1,000,000	620	100%	100%	Per AUS
		\$548,250	580	100%	100%	50%
LTV will be based on the appraised value						
LTV and CLTV excludes VA funding fee						

VA MANUFACTURED HOME ELIGIBILITY MATRIX						
Units	Transaction Type	Loan Amount	Credit Score	LTV	CLTV	DTI
1	Purchase	\$1,000,000	640	100%	100%	50%
LTV will be based on the appraised value						
LTV and CLTV excludes VA funding fee						

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1. Loan Terms
2. Loan Products
3. ARM Adjustments
4. Temporary Buydown
5. QM Rebuttable Presumption
6. Power of Attorney
7. Eligible AUS Decision
8. Ineligible AUS Decisions
9. Manual Underwrite
10. Qualifying Rate
11. Residual Income
12. Types of Financing
13. Eligible Subordinate Financing
14. Ineligible Subordinate Financing
15. Down Payment Assistance
16. Guaranty/ Entitlement
17. Funding Fee
18. Occupancy
19. Eligible Property Types
20. Ineligible Property Types
21. Ineligible States
22. Eligible Borrowers
23. Non-Occupant Co-Borrower
24. Non-Traditional Credit
25. Housing Payment History
26. Borrower Contribution
27. Down Payment Assistance
28. Seller Contributions
29. Reserves
30. Rental Income
31. IRS Form 4506-C
32. Tax Transcripts
33. Maximum Financed Properties
34. Appraisals
35. Principal Curtailment
36. Escrow Waivers
37. VA REO
38. Ineligible Programs
39. Version History

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1. Loan Terms	<ul style="list-style-type: none"> Fixed Rate: 10- to 30-year terms in annual increments ARMs: 30-year term 				
2. Loan Products	Product	Product Description			
	4200VA10FRM	4200 VA 10 Yr Fixed			
	4200VA15FRM	4200 VA 15 Yr Fixed			
	4200VA20FRM	4200 VA 20 Yr Fixed			
	4200VA25FRM	4200 VA 25 Yr Fixed			
	4200VA30FRM	4200 VA 30 Yr Fixed			
	4200VA5/1ARM	4200 VA 5/1 ARM			
	4200VA10FRMHB	4200 VA 10 Yr Fixed High-Balance			
	4200VA15FRMHB	4200 VA 15 Yr Fixed High-Balance			
	4200VA20FRMHB	4200 VA 20 Yr Fixed High-Balance			
	4200VA25FRMHB	4200 VA 25 Yr Fixed High-Balance			
	4200VA30FRMHB	4200 VA 30 Yr Fixed High-Balance			
	4200VA5/1ARMHB	4200 VA 5/1 ARM High-Balance			
3. ARM Adjustments	Index	One Year Treasury Bill per the Wall Street Journal			
	Margin	2.00%			
	Life Floor	5%			
	Interest Rate Caps	Product	First	Subsequent	Lifetime
		5/1	1%	1%	5%
	Change Date	5/1	The first Change Date is the 61 st payment due date. Subsequent Change Dates are every twelve months thereafter		
Conversion Option	Not available				
4. Temporary Buydown	Not permitted				
5. QM Rebuttable Presumption	All transactions are considered QM Safe Harbor				
6. Power of Attorney	Permitted				
7. Eligible AUS Decision	<ul style="list-style-type: none"> Accept/Eligible Approve/Eligible 				
8. Ineligible AUS Decisions	<ul style="list-style-type: none"> Approve/Ineligible Refer with Caution Caution 				
9. Manual Underwrite	Not permitted				
10. Qualifying Rate	Note rate				
11. Residual Income	Loan Amounts \$79,999 and Below				
	Family Size	Northeast	Midwest	South	West

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	1	\$390	\$382	\$382	\$425	
	2	\$654	\$641	\$641	\$713	
	3	\$788	\$772	\$772	\$859	
	4	\$888	\$868	\$868	\$967	
	5	\$921	\$902	\$902	\$1004	
	Above 5	Add \$75 for each additional member up to a family of seven				
	Loan Amounts \$80,000 and Above					
	1	\$450	\$441	\$441	\$491	
	2	\$755	\$738	\$738	\$823	
	3	\$909	\$889	\$889	\$990	
	4	\$1025	\$1003	\$1003	\$1117	
	5	\$1062	\$1039	\$1039	\$1158	
	Above 5	Add \$80 for each additional member up to a family of seven				
12. Types of Financing	Purchase Mortgage					
13. Subordinate Financing	New subordinate financing is not permitted					
14. Down Payment Assistance	<ul style="list-style-type: none"> Federal, state, local government agencies and VA approved non-profit agencies considered by VA to be an instrumentality of the government may provide grants for closing costs and prepaid expenses 					
15. Guaranty/Entitlement	<ul style="list-style-type: none"> Veteran must have enough entitlement to provide 25% VA Guaranty of total loan amount or contribute to a combination of VA Guaranty plus down payment and/or equity that covers 25% of the Sales Price or Appraised Value, whichever is less. Veteran must provide evidence of available entitlement. Certificate of Eligibility must be dated within 6 months of the application VA Mortgages must have at least 25% VA Loan Guaranty and/or down payment or equity, based on the Sales Price or Appraised Value, whichever is less to meet Ginnie Mae requirements 					
16. Funding Fee	Veteran/Military Status	Down Payment¹	First Time Use Expires 12-31-2021	Subsequent Use² Expires 12-31-21		
	Veteran/Active Duty	Less than 5%	2.30%	3.60%		
	Veteran/Active Duty	5% and up to 10%	1.65%	1.65%		
	Veteran/Active Duty	10% or more	1.40%	1.40%		
	Reserves/National Guard	Less than 5%	2.30%	3.60%		
	Reserves/National Guard	5% and up to 10%	1.65%	1.65%		
	Reserves/National Guard	10% or more	1.40%	1.40%		
	Disabled Veteran (Service-connected)	n/a	0.00%	0.00%		

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	disability or Active-Duty Purple Heart)			
	¹ Does not include down payment from gift of equity or equity earned from lease-to-purchase transaction ² The higher subsequent use fee does not apply if the veteran's only prior use of entitlement was for a manufactured home not classified as real estate			
17. Occupancy	Primary residence			
18. Eligible Property Types	<ul style="list-style-type: none"> • 1-4 units • Condos <ul style="list-style-type: none"> ○ Must be VA approved ○ Michigan Site condos do not require project approval • Leasehold estates • Manufactured housing <ul style="list-style-type: none"> ○ Multi-wide • Modular homes • PUDs 			
19. Ineligible Property Types	<ul style="list-style-type: none"> • Condo hotels • Co-ops • Leasehold estate condo projects • The following manufactured housing <ul style="list-style-type: none"> ○ Leasehold estate ○ Newly constructed units ○ Singlewide units ○ Units in a condo project ○ Units in a mobile home park ○ Unit less than 600 square feet ○ Units located in HI ○ Units on a property with a hobby farm ○ Unit on site being used as storage ○ Units with mixed-use 			
20. Ineligible States	<ul style="list-style-type: none"> • Alaska 			
21. Eligible Borrowers	<ul style="list-style-type: none"> • Must be a qualified Veteran or spouse • Certificate of Eligibility must have sufficient entitlement to meet minimum 25% guaranty of total loan amount or Ginnie Mae requirement of VA Guaranty plus down payment and/or equity that covers 25% of the Sales Price or Appraised Value, whichever is less. • Inter vivos revocable trusts (living trust) • NewRez will not purchase loans from Principal/Owners of NewRez Third Party Originators 			
22. Non-Occupant Co-Borrower	Not permitted. All borrowers must occupy the subject property			

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23. Non-Traditional Credit	Not permitted. All borrowers must have a credit score
24. Housing Payment History	<ul style="list-style-type: none"> • Inclusive of all liens regardless of lien position • Applies to all mortgages on all financed properties • All loans must be current at application • Follow Approve/Accept <ul style="list-style-type: none"> ○ Manufactured Home: 0x30x12
25. Borrower Contribution	<ul style="list-style-type: none"> • No minimum borrower investment is required for loan amounts; however, all VA Purchase loans require at a minimum, a VA Guaranty, or a combination of a VA Guaranty plus down payment and/or equity that covers 25% of the Sales Price or Appraised Value, whichever is less. If Veteran does not have sufficient entitlement to provide 25% guarantee of the total loan, a down payment will be required. • For 2-4-unit properties, if the total loan amount is greater than the limit for a 1-unit dwelling, a down payment may be required
26. Down Payment Assistance	<ul style="list-style-type: none"> • Federal, state, local government agencies, charitable organizations and FHA Approved non-profit agencies considered by FHA to be an instrumentality of the government may provide funds for down payment, closing costs and prepaid expenses • Must be approved by NewRez
27. Seller Contributions	<ul style="list-style-type: none"> • Seller may pay 100% of the discount points and borrower's non-recurring closing costs • Seller may provide an additional amount not to exceed 4% of the estimated reasonable value to assist the borrower's payment of prepaid expenses and funding fee
28. Reserves	<ul style="list-style-type: none"> • 1-unit: none • 2-4 units <ul style="list-style-type: none"> ○ Rental income not used to qualify: none ○ Rental income used to qualify: 6 months • 3 months reserves if borrower owns other real estate. Reserves are based on PITI of REO property • Reserves not required if rental income not used to qualify
29. Rental Income	<ul style="list-style-type: none"> • Rental Income from Other Real Estate Owned <ul style="list-style-type: none"> ○ If rental income is used to qualify: <ul style="list-style-type: none"> ▪ the most recent two months receipt of rental income for each rental property owned ▪ three months reserves required for each rental property owned in addition to standard reserve requirements • Conversion of a Primary Residence to an Investment Property <ul style="list-style-type: none"> ○ If rental income is being used to qualify <ul style="list-style-type: none"> ▪ Additional three months reserves (PITIA of the property being converted to a rental property) ▪ Proof of receipt of security deposit and ▪ Proof of receipt of first month's rent if required by lease
30. IRS Form 4506-C	<ul style="list-style-type: none"> • Prior to Underwriting (NewRez underwritten loans)

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	<ul style="list-style-type: none"> o Signed 4506-C for each borrower whose income must be documented with tax returns and used for qualification (self-employment, rental income, etc.) • Prior to Closing <ul style="list-style-type: none"> o 4506-C for the business tax return transcript(s) must be signed prior to closing when the business returns are used for qualification • At Closing (all loans) <ul style="list-style-type: none"> o 4506-C for each borrower whose income is used to qualify (regardless of income type) must be signed at closing
31. Tax Transcripts	<p>W-2 or tax transcripts, as applicable, must be obtained when:</p> <ul style="list-style-type: none"> • Handwritten paystubs are used as verification of income • There is a non-arm's length transaction • Income is documented with tax returns (self-employment, rental income, dividend/interest, etc.) • At the underwriter's discretion
32. Maximum Financed Properties	No restrictions
33. Appraisals	<ul style="list-style-type: none"> • A new appraisal completed by a VA approved or VA fee panel appraiser required • VA LAPP Underwriter will issue the NOV
34. Principal Curtailment	The amount of the curtailment cannot exceed \$500 unless due to an excess Premium Pricing Credit.
35. Escrow Waivers	Not permitted
36. VA REO	Lenders who are selling their own REO properties while underwriting the VA Home Loan for the purchase of these properties may not process as LAPP, but order and process VA appraisals as "IND" (reviewed by VA)
37. Ineligible Programs	<ul style="list-style-type: none"> • Energy Efficient Mortgages (EEM) • Farm Residence Loans • HFA Programs • HPML Loans • High Cost Loans • Rehabilitations loans • Specially Adapted Housing • Supplemental Loans

38. Version History		
Section	Update	Date
Eligibility Matrix	Manufactured Housing not permitted in Hawaii	February 1, 2021
Subordinate Financing	Added Subordinate Financing not Permitted	February 1, 2021
Ineligible States	Hawaii removed from ineligible state list. Lending permitted in Hawaii	February 1, 2021
Eligibility Matrices	Revised minimum credit scores and DTI requirements	March 1, 2021

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Loan Terms	<ul style="list-style-type: none">• Fixed Rate: 10- to 30-year terms in annual increments• Removed Custom Loan Term information	April 15,2021
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