



Jumbo Series D Product Highlights

ELIGIBILITY MATRIX					
Transaction Type	Units	Credit Score	LTV/CLTV	Loan Amount	Reserves
Primary Residence					
Purchase Rate & Term Refi	1	680	80%	\$850,000	6
		700		\$1,000,000	
		720		\$1,500,000	
		740	75%	\$2,000,000	12
	2	740	65%	\$2,000,000	
Construction-to-Permanent transactions: 1-unit primary residence to maximum \$1,000,000 loan amount					

ELIGIBILITY MATRIX					
Transaction Type	Units	Credit Score	LTV/CLTV	Loan Amount	Reserves
Second Home					
Purchase Rate & Term Refi	1	740	70%	\$2,000,000	18

ELIGIBILITY MATRIX					
Transaction Type	Units	Credit Score	LTV/CLTV	Loan Amount	Reserves
Investment Properties					
Purchase Rate & Term Refi	1-2	740	65%	\$1,500,000	18

Information is accurate as of the date of publishing and is subject to change without notice. The guidelines outlined in this document apply to Jumbo Series D originated under NewRez's Jumbo Series D guidelines. This document should not be relied upon or treated as legal advice. **Guidelines subject to change without notice**; Printed copies may not be the most current version. For the most current version, always refer to the online version.



Jumbo Series D Product Highlights

1. Loan Terms
2. Loan Products
3. Ability to Repay and Qualified Mortgage (QM)
4. Net Tangible Benefit (NTB)
5. Prepayment Penalty
6. Minimum Loan Amount
7. Underwriting
8. Qualifying Rate
9. Qualifying Ratios
10. Types of Financing
11. Incidental Cash Back
12. Texas Owner-Occupied Properties
13. Properties Listed for Sale
14. Eligible Subordinate Financing
15. Ineligible Subordinate Financing
16. Occupancy
17. Eligible Property Types
18. Ineligible Property Types
19. Ineligible States
20. Eligible Borrowers
21. Non-Occupant Co Borrower
22. First Time Homebuyer
23. Housing Payment History
24. Significant Derogatory Credit
25. Borrower Contribution
26. Seller Contributions
27. Reserves
28. IRS Form 4506-C
29. Tax Transcripts
30. Multiple Number of Financed Properties
31. Multiple Mortgages to Same Borrower
32. Appraisals
33. Declining or Soft Markets
34. Escrow Waivers
35. Escrow Holdbacks
36. Principal Curtailment
37. Power of Attorney
38. Mortgage Insurance
39. Version History

Information is accurate as of the date of publishing and is subject to change without notice. The guidelines outlined in this document apply to Jumbo Series D originated under NewRez's Jumbo Series D guidelines. This document should not be relied upon or treated as legal advice. **Guidelines subject to change without notice**; Printed copies may not be the most current version. For the most current version, always refer to the online version.



Jumbo Series D Product Highlights

1. Loan Terms	Fixed Rate: 15, 20 and 30-year term	
2. Loan Products	5000NPF15FRM	5000 NewRez Jumbo Series D 15 Yr Fixed
	5000NPF20FRM	5000 NewRez Jumbo Series D 20 Yr Fixed
	5000NPF30FRM	5000 NewRez Jumbo Series D 30 Yr Fixed
3. Ability to Repay and Qualified Mortgage (QM)	<ul style="list-style-type: none"> • Loan must meet QM, Appendix Q, and Ability to Repay • QM Rebuttable Presumption is not permitted 	
4. Net Tangible Benefit (NTB)	<ul style="list-style-type: none"> • All refinance transactions must pass the NewRez Net Tangible Benefit test • A NewRez NTB Worksheet must be completed for all refinance transactions in the following states: <ul style="list-style-type: none"> ◦ AR, CT, IL MN, NC, NM, OH, and WA • A state specific NTB Test must be completed on refinance transactions in the following states: <ul style="list-style-type: none"> ◦ CO, MA, MD, ME, RI, SC, VA, and WV <ul style="list-style-type: none"> ▪ CO requires NTB state specific forms to be completed for purchase and refinance transactions ◦ For all other states, no NTB test is required • Refer to Refinances: Net Tangible Benefit (NTB) Policy & Procedure 	
5. Prepayment Penalty	Not permitted	
6. Minimum Loan Amount	<ul style="list-style-type: none"> • Minimum loan amount \$548,251 • DU or LPA must be used, regardless of the underwriting method a full manual underwrite will be required. Additional information may be requested at the Underwriter's discretion. • Acceptable findings: Approve/Ineligible or • Approve/Eligible: High-Balance loans \$548,251 - \$822,375 must meet jumbo guidelines • Unacceptable findings: Refer with Caution, Out of Scope, Caution, and/or Incomplete/Invalid 	
7. Underwriting	<ul style="list-style-type: none"> • All loans are manually underwritten and must be submitted to DU or LPA and receive an Approve/Ineligible or Accept/Ineligible; Ineligible for loan amount and LTV (informational purposes only) • Successful LoanScoreCard submission is required 	
8. Qualifying Rate	Fixed Rate: Note rate	
9. Qualifying Ratios	Maximum 43% DTI <ul style="list-style-type: none"> • 40% DTI if borrower is receiving gift funds • 38% DTI for FTHB 	
10. Types of Financing	<ul style="list-style-type: none"> • Purchase Mortgage • Rate & Term Refinance (Limited Cash-out Refi) 	
11. Incidental Cash Back	Cash out amount for a rate and term refinance not to exceed 1% of the loan amount	
12. Texas Owner-Occupied Properties	<ul style="list-style-type: none"> • Owner occupied properties with a first mortgage or second lien subject to Texas Section 50(a)(6) 50(f)(3) and 50(f)(2) not permitted • A copy of the current mortgage or note is required to determine if the terms are subject to Texas Section 50(a)(6) (also known as Home Equity Deed of Trust, Home Equity Installment Contract or Residential Home Loan Deed of Trust) 	

Information is accurate as of the date of publishing and is subject to change without notice. The guidelines outlined in this document apply to Jumbo Series D originated under NewRez's Jumbo Series D guidelines. This document should not be relied upon or treated as legal advice. **Guidelines subject to change without notice;** Printed copies may not be the most current version. For the most current version, always refer to the online version.



Jumbo Series D Product Highlights

13. Properties Listed for Sale	<ul style="list-style-type: none"> • The listing must have been expired or withdrawn prior to the application date <ul style="list-style-type: none"> ○ For cash-out refinance transactions, the listing must have expired or been withdrawn at least six months prior to the Note date
14. Eligible Subordinate Financing	Existing subordinate financing
15. Ineligible Subordinate Financing	New subordinate financing
16. Occupancy	<ul style="list-style-type: none"> • Primary residence • Second home • Investment property
17. Eligible Property Types	<ul style="list-style-type: none"> • 1-2 units • Condos <ul style="list-style-type: none"> ○ Must be reviewed by PRD ○ Limited Review not permitted • PUDs
18. Ineligible Property Types	<ul style="list-style-type: none"> • 3-4 units • Condotels • Co-ops • Factory built homes • Leasehold properties • Manufactured housing • Mixed-use properties • Mobile home • Modular home • Properties appraised with a property condition of C5 or C6 • Properties with more than 15 acres • Properties with less than 750 square feet of living area • Unique properties (earth homes, geodesic domes, log homes)
19. Ineligible States	<ul style="list-style-type: none"> • Alaska • Hawaii for Retail/JV
20. Eligible Borrowers	<ul style="list-style-type: none"> • U.S. citizens • Permanent resident alien • Non-permanent resident alien <ul style="list-style-type: none"> ○ Primary residence ○ Maximum 75% LTV/CLTV ○ Maximum 38% DTI • Inter vivos revocable trust <ul style="list-style-type: none"> ○ Trust must be approved by NewRez legal prior to loan approval

Information is accurate as of the date of publishing and is subject to change without notice. The guidelines outlined in this document apply to Jumbo Series D originated under NewRez's Jumbo Series D guidelines. This document should not be relied upon or treated as legal advice. **Guidelines subject to change without notice**; Printed copies may not be the most current version. For the most current version, always refer to the online version.



Jumbo Series D Product Highlights

	<ul style="list-style-type: none"> o 1-2 unit primary residence • Non-borrowing spouse or domestic partner who has an interest in the subject property must follow applicable state laws to waive any rights the property.
21. Non-Occupant Co Borrower	Non-occupant co-borrowers, co-signers, guarantors are not permitted
22. First Time Homebuyer	<p>A first time homebuyer is a borrower who has had no ownership interest (sole or joint) in a residential property during the three-year period prior to the application date. If one borrower meets homeownership requirements, FTHB requirement do not apply</p> <ul style="list-style-type: none"> • 1-unit • Primary residence • 0x30x24 cumulative housing history • Maximum \$1,500,000 loan amount • Minimum 740 credit score • Maximum 38% DTI • Minimum 12 months reserves • Borrowers living rent-free are not eligible
23. Housing Payment History	<ul style="list-style-type: none"> • Applies to all mortgages on all financed properties • Housing Payment History required for all borrowers <ul style="list-style-type: none"> o 0x30x24, or life of loan, whichever is less (minimum 12 months) • Borrowers living rent-free directly preceding or during the loan application are acceptable with the following: <ul style="list-style-type: none"> o Rent-free period does not exceed 12 consecutive months o Acceptable 12 months rental history is obtained for the period immediately prior to the rent-free period o Borrower provides a letter of explanation • Forbearance <ul style="list-style-type: none"> o No mortgage or rental agreement that the borrower is obligated on, including co-signed mortgages, can be in forbearance o Mortgages that were in a forbearance must be current and have exited forbearance prior to the Note date of the new transaction o Current is defined as all mortgage payments have been made that were past due and documentation has been obtained supporting no mortgage that the borrower is obligated to is in a repayment plan or loss mitigation program
24. Significant Derogatory Credit	Bankruptcy/Foreclosure/Short Sale/DIL/Pre-foreclosure/Restructured loan: ≥ 7 years
25. Borrower Contribution	<ul style="list-style-type: none"> • Borrower must contribute a minimum 5% from their own funds • Gifts are eligible subject to the following <ul style="list-style-type: none"> o 1-unit o Primary residence only

Information is accurate as of the date of publishing and is subject to change without notice. The guidelines outlined in this document apply to Jumbo Series D originated under Newrez's Jumbo Series D guidelines. This document should not be relied upon or treated as legal advice. **Guidelines subject to change without notice**; Printed copies may not be the most current version. For the most current version, always refer to the online version.



Jumbo Series D Product Highlights

	<ul style="list-style-type: none"> ○ Maximum 80% LTV/CLTV ○ Maximum \$2,000,000 loan amount ○ Purchase and Rate & Term Refinance ○ Co-mingled funds not eligible for borrower's minimum contribution ○ Not eligible for reserves ○ Gift funds received for the purpose of paying off a debt prior to or during the loan process is permitted
26. Seller Contributions	<ul style="list-style-type: none"> • Primary residence and second home: 3% • Investment property: 2% • Borrower must qualify without considering the contribution
27. Reserves	Proceeds from a cash-out refi may not be used to meet the reserve requirements
28. IRS Form 4506-C	<ul style="list-style-type: none"> • Prior to Underwriting <ul style="list-style-type: none"> ○ Signed 4506-C for all borrowers • Prior to Closing <ul style="list-style-type: none"> ○ 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 <ul style="list-style-type: none"> ○ 4506-C for all borrowers must be signed at closing
29. Tax Transcripts	IRS Form 4506-C must be processed, and tax return transcripts required for all borrowers to validate income regardless of income source prior to closing. .
30. Multiple Number of Financed Properties	<ul style="list-style-type: none"> • The borrower(s) may own a total of four financed, 1-4-unit residential properties including the subject property • Reserves <ul style="list-style-type: none"> ○ In addition to standard reserve requirements and additional six months reserves is required for: <ul style="list-style-type: none"> ▪ each financed property owned, including an existing primary residence to a second home or investment property or existing home pending sale ▪ borrowers who do not own a primary residence when the subject property is a second home or investment property ▪ borrowers who own property free and clear (taxes, insurance, HOA) ○ The PITIA of each property is based on each financed property
31. Multiple Mortgages to Same Borrower	NewRez Exposure not to exceed \$3,000,000 per individual loan or in aggregate with a maximum of four financed properties; maximum of one financed unit in a single condo project
32. Appraisals	<ul style="list-style-type: none"> • Appraisals must be ordered through a NewRez approved AMC • One full appraisal is required <p>Collateral Desktop Analysis (CDA)</p> <ul style="list-style-type: none"> • A CDA with accompanying MLS sheets from Clear Capital is required to support the value of the appraisal

Information is accurate as of the date of publishing and is subject to change without notice. The guidelines outlined in this document apply to Jumbo Series D originated under NewRez's Jumbo Series D guidelines. This document should not be relied upon or treated as legal advice. **Guidelines subject to change without notice**; Printed copies may not be the most current version. For the most current version, always refer to the online version.



Jumbo Series D Product Highlights

	<ul style="list-style-type: none"> ▪ If the CDA returns a value that is “Indeterminate” or lower than the appraised value and exceeds a 10% tolerance, a second full appraisal must be provided ▪ The lower of the two values will be used as the appraised value. <ul style="list-style-type: none"> • For properties purchased by the seller of the property within ninety days of the fully executed purchase contract the following requirements apply: <ul style="list-style-type: none"> ○ Second full appraisal is required ○ Property seller on the purchase contract is the owner of record ○ Increases in value should be documented with commentary from the appraiser and recent paired sales ○ The above requirements do not apply if the property seller is a bank that received the property as a result of foreclosure or deed-in lieu <p>Two Appraisals Required</p> <ul style="list-style-type: none"> • Appraisals must be completed by two independent companies • The LTV will be determined by the lower of the two appraised values as long as the lower appraised appraisal supports the value conclusion. • Any inconsistencies between the two appraisal reports must be addressed and reconciled • If the two appraisals are completed “subject to,” only one 1004D is required based on the appraisal being used to determine value • A CDA is not required
<p>33. Declining or Soft Markets</p>	<p>If the appraiser notes the market is soft or declining, a 5% reduction to the maximum LTV is required.</p> <p>A market will be deemed “declining” if:</p> <ul style="list-style-type: none"> • Appraiser indicates in Neighborhood Section that market is declining • Appraiser indicates anywhere in comments that market is declining • Any appraisal review indicates that the market is declining
<p>34. Escrow Waivers</p>	<p>Permitted</p>
<p>35. Escrow Holdbacks</p>	<p>Escrows for postponed improvements on new construction are permitted and must be:</p> <ul style="list-style-type: none"> • Weather-related • Shortage of building materials • Water shortage • Labor shortage • Third party contract delays • The uncompleted work must not prevent occupancy certificate from being obtained <ul style="list-style-type: none"> ○ 120% of the proposed value of the improvements must be escrowed or if the contractor/builder offers a guaranteed fixed-price contract the funds escrowed only need to equal the full amount of the contract price

Information is accurate as of the date of publishing and is subject to change without notice. The guidelines outlined in this document apply to Jumbo Series D originated under Newrez’s Jumbo Series D guidelines. This document should not be relied upon or treated as legal advice. **Guidelines subject to change without notice;** Printed copies may not be the most current version. For the most current version, always refer to the online version.



Jumbo Series D Product Highlights

	<ul style="list-style-type: none"> o The closed loan package must contain the final inspection and the escrow agreement signed by all parties o Cannot exceed 180 days from the closing date o Evidence of funds release and property completion must be provided • Completion of an in-ground pool installation is permitted <ul style="list-style-type: none"> o Must be common in the area in which the subject property is located o 120% of the proposed value of the improvements must be escrowed or if the contractor/builder offers a guaranteed fixed-price contract the funds escrowed only need to equal the full amount of the contract price o The installation must be completed within 120 calendar days of the loan closing. o Must be completed by a licensed contractor, pool installation company, or the builder o The value of the pool improvements included in the purchase price cannot exceed 10% of the subject property value o The closed loan package must include the final inspection.
36. Principal Curtailment	A principal curtailment cannot exceed the lesser of 1% of the loan amount or \$10,000
37. Power of Attorney	<ul style="list-style-type: none"> • Not permitted <ul style="list-style-type: none"> o Cash-out refinance o When both borrowers on the transaction requires a POA • See Chapter 9A Power of Attorney for Conforming loans for guidelines
38. Mortgage Insurance	Not required

39. Version History		
Section	Update	Date
Eligibility Matrix	Increased loan amounts	June 22, 2021
Housing Payment History	Updated first time homebuyer requirements	<u>2021-053</u>
Temporary COVID-19 Flexibility Removals	Removed VVOE and appraisal flexibilities	June 22, 2021
Prepayment Penalty	Added section and not permitted	August 30, 2021 2021-068
Texas Owner-Occupied Properties	Added Texas 50(f2) not permitted	August 30, 2021
Properties Listed For Sale	Added requirements for cash-out refinance transactions	August 30, 2021
Gifts	Added gift funds received for the purpose of paying off a debt prior to or during the loan process is permitted	August 30, 2021

Information is accurate as of the date of publishing and is subject to change without notice. The guidelines outlined in this document apply to Jumbo Series D originated under Newrez's Jumbo Series D guidelines. This document should not be relied upon or treated as legal advice. **Guidelines subject to change without notice**; Printed copies may not be the most current version. For the most current version, always refer to the online version.



Jumbo Series D Product Highlights

	Updated loan amount to \$2,000,000	
Tax Transcripts	Clarified required for all borrowers on all loans	August 30, 2021
Power of Attorney	Added not eligible for cash-out refinance transactions	August 30, 2021
Escrow Holdback	Added guidelines permitting EHB	August 30, 2021

Information is accurate as of the date of publishing and is subject to change without notice. The guidelines outlined in this document apply to Jumbo Series D originated under Newrez's Jumbo Series D guidelines. This document should not be relied upon or treated as legal advice. **Guidelines subject to change without notice**; Printed copies may not be the most current version. For the most current version, always refer to the online version.