



USDA Streamlined Refinance Product Summary: Correspondent

Newrez overlays are identified with yellow highlighting

| STREAMLINED REFINANCE ELIGIBILITY MATRIX | | | | | |
|---|-------|--------------|------|------|---------|
| Occupancy | Units | Credit Score | LTV | CLTV | DTI |
| GUS ACCEPT | | | | | |
| Primary Residence | 1 | 580 | 100% | 100% | Per GUS |
| MANUAL UNDERWRITE | | | | | |
| Primary Residence | 1 | 600 | 100% | 100% | 34/41 |
| Value based on original loan balance | | | | | |
| LTV may be exceeded by the financed Upfront Guarantee Fee | | | | | |

| STREAMLINED-ASSIST REFINANCE ELIGIBILITY MATRIX ¹ | | | | | |
|--|-------|--------------|------|------|-----|
| Occupancy | Units | Credit Score | LTV | CLTV | DTI |
| Primary Residence | 1 | 580 | 100% | 100% | NA |
| Value based on original loan balance | | | | | |
| LTV may be exceeded by the financed Upfront Guarantee Fee | | | | | |
| ¹ West Virginia: All loans must be credit qualified | | | | | |

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1. Loan Terms
2. Product Codes
3. Existing Mortgage
4. Net Tangible Benefit (NTB)
5. Guarantee Fee
6. Upfront Guarantee Fee
7. Annual Guarantee Fee
8. Loan Limits
9. Temporary Buydown
10. Automated Underwriting
11. Manual Underwrite
12. Manual Underwrite Debt Ratio Waivers
13. Qualifying Rate
14. Types of Financing
15. Properties Listed for Sale
16. Subordinate Financing
17. Occupancy
18. Property Location Eligibility
19. Eligible Property Types
20. Eligible Borrowers
21. Add/Remove Borrowers
22. Non-Occupant Co-Borrower
23. Program Income Eligibility
24. Housing Payment History
25. Forbearance
26. Seller Contributions
27. Reserves
28. Appraisal

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| | Streamlined Refinance | Streamlined Assist Refinance |
|--------------------------------------|--|---|
| 1. Loan Terms | Fixed Rate: 30-year term | |
| 2. Product Codes | W92 USDA Fixed Rate 30 Year | |
| 3. Existing Mortgage | <p>The existing USDA Guarantee loan must:</p> <ul style="list-style-type: none"> • Have closed 12 months prior to the USDA receipt of a Conditional Commitment • Not be able to qualify for conventional financing | <p>The existing USDA Guarantee loan must:</p> <ul style="list-style-type: none"> • Must have closed 12 months prior to the USDA receipt of a Conditional Commitment • Have an interest rate not higher than the loan being refinanced |
| 4. Net Tangible Benefit (NTB) | NA | The borrower must receive a NTB of a \$50 or greater reduction in the P&I and annual fee monthly payment |
| 5. Guarantee Fee | <ul style="list-style-type: none"> • Guarantee Fee is required on all transactions • Guarantee Fee and Annual Fee Calculators are available on the USDA LINC Training and Resource Library at https://www.rd.usda.gov/resources/usda-linc-training-resource-library in the Loan Origination section under Documentation and Resources | |
| 6. Upfront Guarantee Fee | <ul style="list-style-type: none"> • Up-front Guarantee Fee: 1.0% • The upfront guarantee fee is calculated by multiplying the following percentage by the Total Loan Amount <ul style="list-style-type: none"> ○ 1% of Base Loan Amount (when G-Fee is paid in cash) ○ Total Loan Amount = Base Loan Amount / 0.99 (when G-Fee is financed) | |
| 7. Annual Guarantee Fee | <ul style="list-style-type: none"> • Annual Fee: .35% (of the outstanding principal balance) • The Annual Guarantee Fee is calculated on the Total Loan Amount and is based on the average annual scheduled unpaid principal balance for the life of the loan | |
| 8. Loan Limits | <ul style="list-style-type: none"> • Maximum loan amount <ul style="list-style-type: none"> ○ Continental US \$766,550 ○ Hawaii \$1,149,825 • https://www.fanniemae.com/singlefamily/loan-limits • Minimum loan amount \$25,000 <ul style="list-style-type: none"> ○ \$10,000(Michigan) • Base loan amount cannot exceed the conforming loan limit • Maximum financing is the appraised value plus Guarantee Fee | |
| 9. Temporary Buydown | Not permitted | |

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| 10. Automated Underwriting | <ul style="list-style-type: none"> • Accept/Eligible • Accept/Ineligible if reason for ineligibility can be resolved | Not permitted |
| 11. Manual Underwrite | <ul style="list-style-type: none"> • All loans must be submitted to GUS • If a Refer or Refer with Caution decision or loan is manually downgraded, manually underwrite in accordance with USDA guidelines | Manual underwriting required |
| 12. Manual Underwrite Debt Ratio Waivers | <ul style="list-style-type: none"> • Compensating factors for debt ratio waiver requests <ul style="list-style-type: none"> ○ Minimum 680 credit score for each borrower ○ The proposed PITIA does not exceed the borrower's current verified mortgage payment by more than \$100 or 5 percent, whichever is less, for the 12-month period preceding loan application. Verification of the housing payment must be documented and no more than one 30-day late payment for the previous 12 months is permitted. A history of less than 12 months will not be considered an acceptable compensating factor. ○ Three months PITIA reserves ○ Continuous employment with the current primary employer • The issuance of the Conditional Commitment for a Loan Note Guarantee represents Agency approval of the ratio waiver | NA |
| 13. Qualifying Rate | Fixed Rate: Note rate | |
| 14. Types of Financing | <ul style="list-style-type: none"> • Streamlined Refinance • Streamlined-Assist Refinance | |
| 15. Properties Listed for Sale | <ul style="list-style-type: none"> • Property must be taken off the market before application date | |

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| | <ul style="list-style-type: none"> Borrower provides written confirmation of intent to occupy if primary residence | | |
| 16. Subordinate Financing | <ul style="list-style-type: none"> New subordinate financing not permitted Existing subordinate financing must be subordinated | | |
| 17. Occupancy | Primary residence | | |
| 18. Property Location Eligibility | <ul style="list-style-type: none"> Property must be located in a rural area as defined by the local USDA office: http://eligibility.sc.egov.usda.gov and meet HUD minimum property standards as per Handbook 4000.1 Verification of property location eligibility must be printed and retained in the loan file | | |
| 19. Eligible Property Types | <ul style="list-style-type: none"> 1-unit Condos: Delegated lender to issue the condo warranty Leasehold estate Manufactured housing Modular home PUD | | |
| 20. Eligible Borrowers | <ul style="list-style-type: none"> US citizen Permanent resident alien (Qualified alien) Non-permanent resident alien Inter vivos revocable trust: Trust must be approved by Newrez legal prior to loan approval (Non-Delegated Clients) | | |
| 21. Add/Remove Borrowers | <table border="1"> <tr> <td> <ul style="list-style-type: none"> Borrower(s) may be added to the loan Existing borrowers on the current Note may be removed when one of the original borrower(s) remains on the refinance loan </td> <td> <ul style="list-style-type: none"> Borrower(s) may be added to the loan Borrower(s) may not be removed (unless deceased) </td> </tr> </table> | <ul style="list-style-type: none"> Borrower(s) may be added to the loan Existing borrowers on the current Note may be removed when one of the original borrower(s) remains on the refinance loan | <ul style="list-style-type: none"> Borrower(s) may be added to the loan Borrower(s) may not be removed (unless deceased) |
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| 22. Non-Occupant Co-Borrower | Not permitted | | |
| 23. Program Income Eligibility | <p>Annual Income</p> <ul style="list-style-type: none"> The income used to determine program eligibility Used as basis for computed adjusted annual income Based on anticipated income for the coming year Includes the annual income of all adult household members, including adult household members not on loan <p>Annual Adjusted Income</p> <ul style="list-style-type: none"> Annual income of all adult household members less the allowed deductions | | |

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| | <ul style="list-style-type: none"> The borrower’s annual adjusted household income must meet the adjusted income limits in accordance with size of household, county, and State in which the borrower(s) will reside | |
| 24. Housing Payment History | <ul style="list-style-type: none"> 12-month mortgage history required 0x30x6 prior to application date | <ul style="list-style-type: none"> 12-month mortgage history required 0x30x12 prior to application date |
| 25. Forbearance | <ul style="list-style-type: none"> Refinance of mortgages that are in a current forbearance status, including mortgages under a CARES Act forbearance plan are not eligible A borrower who was granted a mortgage payment forbearance and continues to make payments as agreed under the terms of original Note is not considered delinquent or late and will be treated as if not in forbearance status, provided that the forbearance plan is terminated prior to closing A borrower who has deferred mortgage payments as result of a recent forbearance plan <ul style="list-style-type: none"> Must have resumed making payments for at least three months; and 0x30x6, excluding the time the loan was in forbearance | |
| | | <ul style="list-style-type: none"> Delegated Clients: Follow GUS Non-Delegated Clients: <ul style="list-style-type: none"> A borrower who has deferred mortgage payments as result of a recent forbearance plan <ul style="list-style-type: none"> Must have resumed making payments for at least three months; and 0x30x6, excluding the time the loan was in forbearance |
| 26. Seller Contributions | NA | |
| 27. Reserves | None required | |
| 28. Appraisal | Not required | |

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| Revision History | | |
|--|--|---------------------|
| Topic | Revision | Date |
| Geographic Restrictions | Removed below <ul style="list-style-type: none"> • Ineligible for Newrez Underwriting <ul style="list-style-type: none"> ○ Alaska ○ Hawaii | 05.17.2023 V23.1 |
| Loan Limits | Minimum Loan Amount \$10,000 in the state of Michigan | 08.30.2023 V23.2 |
| Loan Limits | Updated Maximum loan amounts | 12.26.2023 V23.3 |
| Eligibility Matrix | Added West Virginia information | |
| Eligibility matrix | Removed West Virginia: Maximum 50% DTI | 07.30.2024 V24.1 |
| Streamlined Refinance Eligibility Matrix | Updated DTI | 08.29.2024 V24.2 |
| Manual Underwrite Debt | Updated Compensating Factors | |

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