

Newrez Announcements



Announcement 2026-007

Underwriting Guideline Updates – Conforming Loans

January 22, 2026

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 January 22, 2026.
- 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

- n/a

Newrez Underwriting Guide Updates

Chapter 1A Eligibility

Occupancy requirements for Active Military Borrowers who are unable to occupy the subject principal residence have been identified for Fannie Mae and Freddie Mac loan transactions as shown below:

| Fannie Mae DU | Freddie Mac LPA |
|--|--|
| <p>A military service member borrower currently on active duty and temporarily absent from their principal residence because of military service is considered to be an owner occupant. The following is required:</p> <ul style="list-style-type: none">• Verify borrower's temporary absence from the subject property by obtaining a copy of the borrower's military orders.• The military orders must identify the borrower will be absent from the subject property as of the date the owner occupancy must be established by the security instrument.• Loan must be delivered with (SFC) Special Feature Code 754. | <p>When the mortgage is secured by a Primary residence to an active-duty military borrower who is unable to occupy the Primary Residence prior to the closing due to military service the following requirements must be met:</p> <ul style="list-style-type: none">• Closed loan file must contain Borrower's military orders verifying they are temporarily unable to occupy the Primary residence due to the military assignment.• ULDD Data Point (IFI) Investor Feature Identifier valid value of D76 must be used when loan is delivered. |

Complete guidelines can be found in the Conventional Underwriting Guide, Chapter 1A, Conforming Eligibility, 1A.7(a)(i) Active Military Borrower

Chapter 1B Transactions

Removed reference to Freddie Mac only for Use of Funds for following guideline: Funds required to be paid by the borrower of \$500 or less do not need to be verified.

Complete guidelines can be found in the Conventional Underwriting Guide, Chapter 1B, Transaction Types, 1B.2 (c) Use of Funds

Chapter 1I Employment and Income

Updated Trust Income for Freddie Mac LPA transactions to identify for both a Fixed and Variable Payment Amount – the history of receipt and continuance must be documented at the level used for qualifying for at least the next three years.

Complete guidelines can be found in the Conventional Underwriting Guide, Chapter 1I Employment and Income, 1I.13(kk) Trust Income

Prior Agency Announcements

Below is a summary of previously announced updates that have been incorporated into the Newrez Underwriting Guide.

- n/a

Product Profile Releases and Overlay Matrix Updates

Product Profiles Releases

- n/a

Overlay Matrix Update

- The Conforming Credit Scores section of Overlay Matrix has been updated to state below in red.
 - Borrowers with no credit score are not permitted unless DU Approve/Eligible **or** LPA Accept Eligible
- Removed overlay for Military Owner Occupancy (a borrower currently on active duty must occupy the subject primary residence within 60 days of the Note.)

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

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Client Development

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