

# Newrez Announcements



## Announcement 2026-019 Smart Series Product Summary and Underwriting Guide Updates February 26, 2026

Newrez LLC "Newrez" Approved Correspondent Clients; the following updates are effective with pipeline loans.

### Product Summary Updates

Current Policy	New Policy
<b>Product Summaries SmartEdge, Self, Vest</b>	<b>Product Summaries SmartEdge, Self, Vest</b>
Ineligible Property Types List contains a number of ineligible property types	Removed from the Ineligible list – Log Homes These are now a permitted property type.
Ineligible Property Types:  List contains a number of ineligible property types	Unique Properties – Removed this reference and moved all property types to the ineligible list individually: 3d Printer Homes Barndominiums Berm Homes Shouse Tiny Homes
# 39 Multiple Financed Properties  • Borrower may own up to 15 financed properties, including the subject property ○ Non-warrantable condos: maximum 10 financed properties, including the subject property	New Section Title #39 Number of Financed Properties  Borrower may own up to 15 financed properties, including the subject property

<ul style="list-style-type: none"> <li>• Borrower limited to eight loans with Newrez not to exceed \$3,500,000 in aggregate</li> <li>• Borrower may own a maximum 10% of properties in a PUD or condo project with Newrez financing</li> </ul> <p>For projects ≤ 10 total units, maximum one unit</p>	<p>New multiple loans must be underwritten simultaneously.</p>
<p>Multiple Financed Properties:</p> <ul style="list-style-type: none"> <li>• Borrower limited to eight loans with Newrez not to exceed \$3,500,000 in aggregate</li> </ul>	<p>New Section # 40 Maximum Newrez Company Exposure:</p> <ul style="list-style-type: none"> <li>• Maximum Company Exposure to one borrower – <b>ten (10) loans</b> or an aggregate unpaid principal balance of <b>\$5,000,000</b> (including the subject property)</li> <li>• Inclusive of Newrez Family of Companies i.e., Newrez, New Residential, Shellpoint Mortgage, Caliber</li> </ul>
<p>Multiple Financed Properties</p> <ul style="list-style-type: none"> <li>• Non warrantable condos: maximum 10 financed properties, including the subject property</li> <li>• Borrower may own a maximum 10 properties in a PUD or condo project with Newrez financing</li> </ul>	<p>New Section # 41 Maximum Condominium Exposure</p> <ul style="list-style-type: none"> <li>• Borrower may own a maximum 20% of properties in a condo project with Company financing</li> <li>• Non-warrantable condos: maximum 10 financed properties, including the subject property</li> </ul>
<p><b>SmartEdge, SmartSelf and SmartVest Guidelines</b></p>	<p><b>SmartEdge, SmartSelf and SmartVest Guidelines</b></p>
<p>1A.4 Primary Residence</p> <p>The subject property can be considered a primary residence without the borrower occupying the property when:</p> <ul style="list-style-type: none"> <li>• The borrower is purchasing a primary residence for a parent or legal guardian that is not able to work or has limited income; or</li> <li>• The borrower purchasing a</li> </ul>	<p>1A.4 Primary Residence</p> <p>The subject property can be considered a primary residence without the borrower occupying the property when:</p> <ul style="list-style-type: none"> <li>• The borrower is purchasing/<b>refinancing</b> a primary residence for a parent or legal guardian that is not able to work or</li> </ul>

<p>primary residence for a disabled or handicapped adult child.</p>	<p>has limited income; or</p> <ul style="list-style-type: none"> <li>The borrower purchasing/refinancing a primary residence for a disabled or handicapped adult child.</li> </ul>
<p>1A.10(b)(ii) Non-Permanent Resident Alien</p>	<p>1A.10(b)(ii) Non- Permanent Resident Alien</p> <p>Updated the entire section with current and updated requirements for NPRA.</p> <p>Refer to the chapter for updated guidelines.</p>
<p>1A.11 Ineligible Borrowers</p> <p>Silent</p>	<p>1A.11 Ineligible Borrowers</p> <p>The following borrowers are ineligible for financing:</p> <ul style="list-style-type: none"> <li>Foreign Nationals;</li> <li>Borrowers with Diplomatic immunity;</li> <li>Borrowers with ownership in a business that is federally illegal;</li> <li>Borrowers with Deferred Action for Childhood Approval (DACA)</li> </ul>
<p>4A.2 Resale Restrictions</p> <p>Resale restrictions are eligible only if the resale restriction terminates and does not survive foreclosure or does not apply to the lender that forecloses.</p> <p>Resale restrictions may limit the use of all or part of the land to occupancy by individuals on the basis of age. The restriction may be in the form of an easement, covenant, or condition in any deed, mortgage, ground lease, agreement, or other instrument executed by or on behalf of the owners of the land.</p>	<p>4A.2 Resale Restrictions – SmartEdge and SmartSelf Only</p> <p>Age related resale restrictions are the only eligible resale restrictions permitted for SmartEdge and SmartSelf. Eligible property types include 1-2 units, PUDs and Condominiums.</p>

<p>Resale Restriction Types</p> <p>One (1) or more of the following types of resale restrictions are permitted (although some restrictions are likely to occur only in combination with others):</p> <ul style="list-style-type: none"> <li>• Income limits;</li> <li>• Age limits (senior communities must comply with applicable laws). If the deed restriction is solely due to 55+, verify Form 38 “Housing Developments Subject to Age Restrictions” is completed by the HOA;</li> <li>• Deed restrictions for easements, setback lines, or no zoning;</li> <li>• Purchasers must be employed by the subsidy provider;</li> <li>• First time homebuyer requirements as designated by the subsidy provider; and</li> <li>• Resale price limits.</li> </ul> <p>Plus additional information related to Resale Restrictions are part of this section.</p>	
<p>6A.4 Asset Sources</p> <p>Qualifying Tuition Plan (529 Plan)</p>	<p>6A.4 Asset Sources</p> <p>Removed Qualifying Tuition Plan (529 Plan) – no longer eligible and added to the list of ineligible Assets in the Product Summary</p>
<p>6A.4(h) Asset Sources</p> <p>Gift Funds:</p> <p>For all occupancy types, the borrower may use funds received as a gift from an acceptable donor to satisfy part of the cash requirement for closing provided the minimum borrower investment for the Loan Program is met. Gift funds may be used for</p>	<p>6A.4(h) Asset Sources</p> <p>Gift Funds:</p> <p>For all occupancy types, the borrower may use funds received as a gift from an acceptable donor to satisfy part of the cash requirement for closing provided the minimum borrower investment for the Loan Program is met. Gift funds may be used for</p>

closing costs and reserves	closing costs and reserves. <b>Gift funds used for reserves must be deposited into the borrower's account prior to closing.</b>
<p>8A.7(b) Asset Based Income</p> <p>Asset Based Income (SmartEdge and SmartSelf)</p> <p>An income stream from the depletion of assets may be used as income by using a calculation to generate a monthly income stream from a borrower's personal assets.</p>	<p>8A.7(b) Asset Based Income</p> <p>Asset Based Income (SmartEdge and SmartSelf)</p> <p>An income stream from the depletion of assets may be used as income by using a calculation to generate a monthly income stream from a borrower's personal assets.</p> <p><b>Assets held jointly with other individuals are considered the borrower's own assets.</b></p>

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**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](http://Newrezcorrespondent.com)

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**Client Development**

We offer a comprehensive training curriculum on Newrez products and processes, to keep your staff informed of the latest developments in products, technology solutions, compliance issues and process improvements. Each of these programs is offered by our training and development staff on a monthly basis and is updated regularly to reflect recent changes in the industry. Visit our [training site](#).