

Newrez Announcements



Announcement 2026-023

March 26, 2026

Underwriting Guideline Updates – Conforming Loans

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 effective immediately
- 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

Freddie Mac [Bulletin 2026-3](#) and Fannie Mae [SEL 2026-02](#) were both released on March 4, 2026 and Newrez is aligning with the following topics below.

Freddie Mac [Bulletin 2026-3](#)

Unless otherwise noted, underwriting guidelines below are effective immediately and the Newrez Underwriting Guide reflects these changes with the March 26, 2026 release.

Credit Underwriting

- Removed the Minimum FICO Score of 720 when the subject property is a second home or an investment and the borrowers own 7-10 financed properties, including the subject and the borrower's primary residence.

The Product Profiles have been updated to reflect this information.

Assets

- Reserves – Guide has been updated to state that the reserves required to be verified is the amount indicated on the Feedback Certificate.

Complete guidelines can be found in the Newrez Underwriting Guide, Chapter 1G.2 Reserve Requirements.

- Gifts of Equity for Purchase transactions that exceed the amount needed for closing may only be used as follows:
 - Used to pay off or pay down the Borrower's debt at closing when paid by the property seller to the creditor, and/or
 - Applied as a principal curtailment
- Gift of Equity and Gift Funds sections of the guide have been separated to distinguish the eligibility and documentation requirements for each source of funds used to qualify the Borrower.

Complete guidelines can be found in the Newrez Underwriting Guide, Chapter 1G Assets, 1G.3(m) Gift or Grant Funds.

Employment and Income

- Written analysis for income and asset qualification was updated to remove the broad requirement sources and amounts. Updates were made to the employed income requirements with the exception that the written analysis requirement remains for rental income, self-employed income, income while on temporary leave and income with certain characteristics.
- Employment Offer Contingencies for income commencing after the Note Date was updated to specify that a probationary period of time after employment starts (for example 90-day probationary, training or orientation periods) are not considered a contingency of the employment offer.

Complete guidelines can be found in the Newrez Underwriting Guide, Chapter 1I Employment and Income, section 1I.13(l)(ix) Freddie Mac LPA, Future Income

Fannie Mae Announcement [SEL 2026-02](#)

Fannie Mae announced updates to their Income Assessment Policy (Income and Employment Chapter). These updates included new policies, policy changes and clarifications to improve clarity and consistency. Because of the extent of these changes, updates will be made in the April and May monthly Newrez announcements. The changes become effective as the Newrez Underwriting Guide is updated but mandatory with application dates on or after June 1, 2026. DU will be updated in a future release to reflect these changes.

Texas Section 50(a)(6)

A new appraisal is required to determine the property's current value even if DU offers value acceptance, or a value acceptance + property data option (Texas Section 50(a)(6) not eligible for reduced appraisal documentation). If the appraisal is deemed deficient, an option to obtain a desk review or field review prior to the Note date is permitted. The appraisal (together with any applicable desk review or field review) must be attached to the written acknowledgement of "fair market value."

Complete guidelines can be found in Newrez Guide Chapter 1J, 1J.4(h) Value Acceptance + Property Data (DU)

Newrez Underwriting Guide Updates

Conventional Updates

Chapter 1A Eligibility

Non-Permanent Resident Alien chart updated to correct formatting issues and no changes to previously announced guidelines.

Complete guidelines can be found in Newrez Guide Chapter 1A, 1A.8(c) Non-Permanent Resident Alien.

Chapter 1D Property Types

Ineligible Manufactured Housing has been updated to add the guidance in parenthesis: a manufactured home with deed restrictions is ineligible, (excluding properties with deed restrictions for age-related requirements)

Complete guidelines can be found in the Newrez Underwriting Guide, Chapter 1D Property Types, 1D.1(j)(iv) Ineligible Manufactured Housing

Chapter 1F Credit

Non-traditional Credit Guidelines have been updated to reflect the guidelines for both Fannie Mae and Freddie Mac

Complete guidelines can be found in the Newrez Underwriting Guide, Chapter 1F Credit, 1F.5(d) Documentation Requirements and Assessment of a Nontraditional Credit History in the following sections:

- 1F.5(d)(i) Fannie Mae – DU Transactions
- 1F.5(d)(ii) Freddie Mac – LPA Transactions

Chapter 1I Employment and Income

- Chapter 1I has been updated to add additional income sources that were announced in Freddie Mac Bulletin [2026-1](#) but inadvertently missed in updating the guide. The income sources that were updated to state the Income Continuance is based on the Application Received Date include Long-Term Disability, Public Assistance, Retirement Income and Survivor Income.
- Assets (Depletion) Requirements for DU Transactions updated in following sections:
 - Asset Requirements and Documentation
 - Determination of Qualifying Income
 - Income History and Continuance
- Assets (Depletion) requirements for LPA transactions added as an eligible income source for (Non-Delegated Clients only)

Complete guidelines can be found in the Newrez Underwriting Guide, Chapter 1I, Employment and Income, in the following sections:

- 1I.13(b) Assets (Depletion) Used as Income
- 1I.13(g) Disability- Long Term
- 1I.13(x) Public Assistance
- 1I.13(z)(ii) Retirement Income Requirements
- 1I.13(gg) Survivor and Dependent Benefit Income Requirements

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

- Freddie Mac Conforming Product
- Removed the Minimum FICO Score of 720 for second homes and investment properties when there are more than 6 financed properties

Overlay Matrix Update

Assets Used for Qualifying Income

- Freddie Mac (LPA)
 - Ineligible for Delegated Clients Only

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

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](#).