

# Newrez Announcements



## **Announcement 2024-024 Underwriting Guideline Updates – Conforming Loans**

**April 29, 2024**

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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 April 29, 2024
- 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.*

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# Agency Announcements

Freddie Mac Bulletin [2024-4](#) was released on April 3, 2024 and Newrez is aligning with the following topics below.

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## Freddie Mac Bulletin [2024-4](#)

### Manufactured Homes

To evidence the manufactured home is built in compliance with the Federal Manufactured Home Construction and Safety Standards, except for a new manufactured home, either the HUD Certification label(s) or the HUD Data Plate must be present and legible. For a new manufactured home, both the HUD data plate and HUD certification label(s) are required.

The following updates were completed:

- Modified grid for required documents to support both existing or new construction properties to comply with safety standards; and
- Identified appraisal requirements to include photos of the HUD Data Plate and/or HUD Certification label(s)

Complete guidelines can be found in the Conventional Underwriting Guide, Chapter 1D, Property Types, 1D.1(j)(i) Manufactured Housing Eligibility

### PDR Completion Report Data Set

The updated Uniform Property Dataset (UPD) became mandatory as of April 1, 2024. Additional updates have been completed for the Completion Report Data Set [Exhibit 39](#) with the following for July 02, 2024 effective date:

- Field Names
- Data Point Definitions
- Implementation Notes and Conditionality

Investor Feature Identifier (IFI): [Exhibit 34](#) will be updated to align with the applicable ULDD Data Point Investor Feature Identifier, J44. Effective September 4, 2024, J44 code will apply only to ACE+PDR upgrade to hybrid.

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## Fannie Mae Announcement

No announcements issued for the month of April 2024.

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## Newrez Underwriting Guide Updates

### Conventional Updates

#### Chapter 1G Assets

Updated 1031 Tax Exchange and removed the following requirements and/or documentation:

- Reverse exchanges are not allowed because the borrower does not hold title to the property at the time of closing.
- No seller provided subordinate financing.
- Verification of the amount of assets being held by the intermediary.

Complete guidelines can be found in the Conventional Underwriting Guide, Chapter 1G, Assets, 1G.3(b) 1031 Tax Deferred Exchange

#### Chapter 1H Liabilities and Debt Ratios

- New section titled, Rental Housing Payment, added to identify documentation requirements based on either a DU or LPA loan decision, when the borrower does not have a mortgage payment or no housing expense.

Reformatted Federal Tax Installment Agreements grid to identify requirements identifying requirements:

- Fannie Mae guidelines in DU column
- Freddie Mac LPA

Complete guidelines can be found in the Conventional Underwriting Guide, Chapter 1H, Liabilities and Debt Ratios, in following sections:

- 1H.4(h) Federal Income Tax Installment Agreements
- 1H.4(s) Rental Housing Payment

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## Prior Agency Announcements

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

Newrez Guide	Topic	Newrez Announcement	Agency Announcement
n/a	n/a	n/a	n/a

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## Product Profile Releases and Overlay Matrix Updates

**Product Profiles Releases** – n/a

**Overlay Matrix Update**

IRS Form 4506C

- Borrowers whose income has been validated through the DU validation service or LPA AIM must sign IRS Form 4506-C at closing even if DU or LPA waives the requirement.

1031 Tax Deferred Exchange

- Added overlay for complete copy of the fully executed exchange agreement.

## 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](https://www.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](#).