

Newrez Announcements



Announcement 2026-025 Smart Series Product Summary and Underwriting Guide Updates March 26, 2026

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

Product Summary Updates

Current Policy	New Policy								
SmartEdge, SmartSelf and SmartVest Summaries	SmartEdge, SmartSelf and SmartVest Summaries								
Underwriting: <ul style="list-style-type: none"> • Non-Delegated Clients: <ul style="list-style-type: none"> ○ Loans must be submitted to LoanScoreCard or to LoanNEX for approved clients 	Underwriting: <ul style="list-style-type: none"> • Non-Delegated Clients <ul style="list-style-type: none"> ○ Removed requirement to submit loans to LoanScoreCard or LoanNEX ○ Added: If LoanScoreCard or LoanNEX are submitted with the loan file, the underwriter must validate and update as needed to align with the final loan terms 								
SmartVest Summary	SmartVest Summary								
5. Prepayment Penalty – Pennsylvania	5. Prepayment Penalty – Pennsylvania								
<table border="1"> <thead> <tr> <th>State</th> <th>Restrictions</th> </tr> </thead> <tbody> <tr> <td>PA</td> <td>1-2 unit properties only and loan amount > \$329,411</td> </tr> </tbody> </table>	State	Restrictions	PA	1-2 unit properties only and loan amount > \$329,411	<table border="1"> <thead> <tr> <th>State</th> <th>Restrictions</th> </tr> </thead> <tbody> <tr> <td>PA</td> <td>1-2 unit properties and loan amount > \$329,411</td> </tr> </tbody> </table> <p style="color: red;">Removed the word "only" from 1-2 units properties. This restriction for min. loan amount only applies to 1-2 units. 3-4 unit properties are permitted with restrictions.</p>	State	Restrictions	PA	1-2 unit properties and loan amount > \$329,411
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Product Guideline Updates

Current Policy	New Policy
<p>SmartEdge, SmartSelf and SmartVest Guidelines</p>	<p>SmartEdge, SmartSelf and SmartVest Guidelines</p>
<p>6A.3 Interested Party Contributions Financing concessions that exceed the allowable limit published in the applicable Product Summary are considered sales concessions and must be deducted from the property's sales price. As a result, the maximum LTV/CLTV ratios must be recalculated using the reduced sales price or appraised value. Additionally, financing concessions must be equal to or less than the sum of the borrower's closing costs.</p>	<p>6A.3 Interested Party Contributions Financing concessions that exceed the allowable limit published in the applicable Product Summary are considered sales concessions. Refer to 6A.3.</p>
<p>6A.3 Sales Concessions</p> <p>Sales concessions are interested party contributions that take the form of non-realty items as well as financing concessions that exceed the set limits. The value of the sales concessions must be deducted from the sales price when calculating the LTV/CLTV for underwriting and eligibility purposes.</p> <p>Sales concessions include but are not limited to the following:</p> <ul style="list-style-type: none"> Any contributions, including but not limited to vacations, furniture, automobiles, decorator allowances, securities, moving costs, or other giveaways granted by any interested party to the transaction; Reimbursement to borrower for 	<p>6A.3 Sales Concessions:</p> <p>Updated to align with Fannie Mae guidelines.</p> <p>Sales concessions are IPCs that take the form of non-realty items and may be paid prior to, at or after closing of the transaction. They include, but are not limited to:</p> <ul style="list-style-type: none"> contributions such as cash/cash-like gifts; rebates, such as those from real estate agents or brokers, which are not credited towards the transaction; furniture, automobiles, decorator allowances, moving costs, and other giveaways; lender incentives from a lender who is, or is affiliated with, an interested party; such as cash, cash-like gift (gift card) or other item of value that is

<p>payment of short sale fees (short sale facilitation fees, buyer discount fees, short sale buyer fees);</p> <ul style="list-style-type: none"> Any financial obligations of the borrower (e.g., revolving debt and installment debt) being paid by the seller; Assignment of rent payments; Contributions in excess of actual costs; and Homeowners' association dues covering any period after the settlement date beyond 12 months. 	<p>not a lender credit towards the loan transactions. The incentive may be offered on all loans as part of a promotion or lender program, provided that the incentive is not sourced from the loan transaction, for example premium pricing, the borrower qualifies without the incentive and no repayment is required; and</p> <ul style="list-style-type: none"> financing concessions that exceed the maximum financing concessions. <p>Sales concessions must be deducted from the property's sales price and the lower of the reduced sales price or appraised value must be used to calculate LTV/CLTV ratios for underwriting and eligibility purposes.</p>
<p>6A.4(I) Qualified Tuition Plan (529 Plan)</p> <p>Asset Source Definition</p>	<p>6A.4(I) Qualified Tuition Plan (529 Plan)</p> <p>Removed this section and definition – no longer an allowable asset source</p> <p>Also added this to 6A.6 Unacceptable Asset Source List</p>
<p>8A.1(g) Allowable Age of Income Tax Returns (SmartEdge)</p> <p>Current policy refers to 2024 tax filing year dates</p>	<p>8A.1(g) Allowable Age of Income Tax Returns (SmartEdge)</p> <p>Updated to refer to 2025 tax filing year dates</p>
<p>8A.8 Unacceptable Sources of Income</p> <p>Non-incident al income received from farming/agricultural use of a property</p>	<p>8A.8 Unacceptable Sources of Income</p> <p>Non-incident al income received from farming/agricultural use of a subject property</p>

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](#).