

Newrez Announcements



Announcement 2026-028 Underwriting Guideline Updates – Conforming Loans

April 23, 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 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 [2026-4](#) and Fannie Mae SEL- [2026-03](#) were both released on April 1, 2026 and Newrez is aligning with the following topics below.

Freddie Mac Bulletin [2026-4](#)

Unless otherwise noted, underwriting guidelines below are effective immediately and the Newrez Underwriting Guide reflects these changes with the April 23, 2026 release.

Age of Tax Returns

Requirements for the age of tax returns were simplified to:

- Replace references to specific tax return calendar years and replaced with general reference to Note year.
- The Note date only identifies a period of 12 calendar months with examples to identify the documentation requirements based on the note date.
- IRS Form(s) 4868 and 7004 requirements have been added for documenting filing extensions for automated income assessment using tax data for self-employed and/or rental income.

Based on these updates, this content will not be updated annually to reflect current calendar years.

This format is being evaluated to align with any underwriting guide updates will be completed at a later date.

Assets

Clarification provided when an asset is held in the name of a living trust, these funds may be used for repayment of obligations when the borrower is the settler of the Living Trust.

Automobile Lease Payments

When a lease is paid down, the monthly lease payment must be included in the DTI ratio.

When the remaining balance of an auto lease is paid off/prepaid, the monthly lease payment may be excluded from the DTI ratio.

Complete guidelines can be found in the Newrez Underwriting Guide, Chapter 1H Liabilities and Debt Ratios, 1H.4(m) Lease Payments

Manufactured Housing

For cash-out refinances, secured by a manufactured home, the maximum mortgage term has increased from 20 years to 30 years for Accept Mortgages. Updates to this term extension will be made in our May release.

Junior Liens

Clarification provided for “no cash-out” refinance Mortgages secured by Manufactured Homes, restated the existing requirements for all “no cash-out” refinance Mortgages related to the use of proceeds for paying off or paying down junior liens. Junior liens secured by the Mortgaged Premises that are paid off or paid down must have been used in their entirety to acquire the subject property. No requirements were changed as a result of this update.

Fannie Mae SEL- [2026-03](#)

The DU archival policy for single closing construction-to-perm transactions has been updated from 540 days to 660 days from the date on which the loan casefile was created.

Refer to the Fannie Mae Selling Guide B3-2-01 General Information on DU for complete requirements.

Newrez Underwriting Guide Updates

Conventional Updates

Chapter 1A Eligibility

The following updates were completed:

- Removed requirement for Trade Treaty Work Visa for E-2 and E-2S to have Employee EAD-CO2
- Loans to Trust – updated to state must be submitted prior to final loan approval.

Complete guidelines can be found in the Conventional Underwriting Guide, Chapter 1A Eligibility, in the following sections:

- 1A.8 (c) Non-Permanent Resident Alien
- 1A.13 Loans to Trust

Chapter 1B Transaction Types

Buyout of an Owner's Interest updated to reflect guidelines as shown in Freddie Mac guide

Complete guidelines can be found in the Conventional Underwriting Guide, Chapter 1B Transaction Types, 1B.5 Buyout of an Owner's Interest

Chapter 1D Property Types

Updated guidelines to state that CHOICEHome and MH Advantage labels/stickers are permitted for either program.

Complete guidelines can be found in the Conventional Underwriting Guide, Chapter 1D Property Types, 1D.1(j)(ii) MH Advantage and CHOICEHome

Chapter 1I Employment and Income

Allowable Age of Tax Returns updated to reflect 2025 tax year filing requirements

Complete guidelines can be found in the Conventional Underwriting Guide, Chapter 1I Employment and Income, 1I.1(i) Allowable Age of Individual Income Tax Returns

Chapter 1J Appraisal Requirements

Remove TX 50 a(4) from the ineligible appraisal waiver list.

Complete guidelines can be found in the Conventional Underwriting Guide, Chapter 1J, Appraisal Requirements, IJ.4(g) Value Acceptance and ACE (Automated Collateral Evaluation)

Freddie Mac Affordable Program Update-Effective for applications on or after April 12, 2026

- Updates to borrower's qualifying income for Home Possible and Refi Possible Mortgages
 - When determining the borrower's qualifying income for Home Possible Mortgages and Refi Possible Mortgages the borrower's base earnings must be considered for both non-fluctuating and fluctuating employment earnings before any additional employment earnings (e.g., bonus, commission, overtime, tips) may be considered.

This change will be updated in the Underwriting Guide for the May Release.

Chapter 1D Chapter 1D Defaults and Remedies, Early Pay Off (Operations Guide)

Section D106 Early Pay Off

Newrez will offer Client a **25%** reduction of the premium recapture as long as Newrez purchases the refinanced loan. This applies only to loans closed loans purchased by Newrez (correspondent).

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

- **Update to Conforming Community Seconds and Affordable Seconds**
 - Affordable LTV Calculation on a subsidized sales price where resale restrictions terminate upon foreclosure are not permitted
 - Removed Freddie Mac Home Possible Super Conforming from Ineligible Programs as Freddie Mac no longer offers this.
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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

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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](#).