

Newrez Announcements



Announcement 2026-036

Underwriting Guideline Updates – Government Loans

May 28, 2026

Newrez LLC "Newrez" Approved Correspondent Clients; this announcement contains the following information:

- Most recent FHA, VA or USDA Mortgagee Letter, effective immediately for all loans in the pipeline, unless otherwise noted.
- Clarifications and/or corrections to the Newrez Guides as of May 28, 2026
- 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 Announcement

- n/a

Newrez Underwriting Guide Updates

FHA Updates

Chapter 2A Eligibility

- Removed Section 184 Indian Reservations from the Ineligible Programs list.

Complete guidelines can be found in the FHA Underwriting Guide, Chapter 2A Eligibility, 2A.15 Ineligible Programs

Chapter 2B Transaction Types

- Overlay identified for the borrower may not act /function as the general contractor.
- Updated requirements as shown in 4000.1 Handbook for:
 - Minimum Required Investment (MRI)
 - Acquisition Costs

Complete guidelines can be found in the FHA Underwriting Guide, Chapter 2B Transaction Types, in the following sections:

- 2B.8 Construction to Permanent Financing – Single Close Transaction (Delegated Clients Only):
 - Eligibility
 - Minimum Required Investment (MRI)
- 2B.9 Building on Own Land - Two Close Transactions

Chapter 2I Employment and Income

Overlay identified when employed by a Family Member: **If the paystub is not computer generated, the accountant must provide a signed payroll ledger.**

Complete guidelines can be found in the FHA Underwriting Guide, Chapter 2I Employment and Income, section 2I.6(i), Employment by a Family -Owned Business/Manual

Prior Agency Announcements

- n/a
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Product profile Releases and Overlay Matrix Updates

Product profile Releases

- Net Tangible Benefit
 - The Net Tangible Benefit section of all the product summaries has been updated to align with State and local requirements.
 - The Net Tangible worksheets are in the process of being updated.

FHA

- The below has been removed from the Eligible Borrower section of the FHA Product Summaries
 - Non-permanent resident aliens- Casefiles must be assigned on or before May 24, 2025. Refer to Newrez Guide 2A.12(c) Non-Permanent Resident for additional requirements.

Overlay Matrix

FHA

- The below has been updated in the FHA section of the Overlay Matrix
 - Employed by a Family Member
 - **If the paystub is not computer generated, the accountant must provide a signed payroll ledger.**
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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](#).