

Newrez Announcements



Announcement 2025-051 Smart Series Product Summary & Underwriting Guideline Updates July 24, 2025

Newrez LLC "Newrez" Approved Correspondent Clients; effective with new locks on or after July 24, 2025 the new One Year Self Employment Program for Second Homes is available.

All other updates are effective immediately for new applications and pipeline loans:

Current Policy	New Policy
Product Summaries - SmartEdge	Product Summaries- SmartEdge
One Year Self Employment Program not currently offered for Second Home	New Program: Second Home One Year Self Employment <ul style="list-style-type: none">• Maximum LTV/CLTV 70%• Minimum FICO 700• Maximum Loan Amount \$2,000,000• Purchase and Rate & Term Refinance Permitted
7. One (1) Year Self Employment Documentation <ul style="list-style-type: none">• Maximum LTV/CLTV is 75%• Primary Occupancy• Purchase and Rate and Term Refinance• Minimum FICO 700	7. One (1) Year Self Employment Documentation <ul style="list-style-type: none">• Maximum LTV/CLTV is 75% for Primary Residence• Maximum LTV/CLTV is 70% for Second Home

<ul style="list-style-type: none"> Maximum Loan Amount \$2,000,000 	<ul style="list-style-type: none"> Purchase and Rate and Term Refinance Minimum FICO 700 Maximum Loan Amount \$2,000,000
Product Summaries - SmartSelf	Product Summaries- SmartSelf
Form 1099 Statement Requirements Form 1099 Statements <ul style="list-style-type: none"> Using a 50% expense factor (or applicable expense factor), subtract 50% from the one- or two-years of Form 1099 income and divide by 12 or 24 months (depending on the number of years of 1099 statements provided) to determine monthly income <p>Year-to-date earnings must be obtained to support income being used to qualify for Note dates after April 15</p>	Form 1099 Statement Requirements Form 1099 Statements <ul style="list-style-type: none"> Using a 10% expense factor subtract 10% from the one- or two-years of Form 1099 income and divide by 12 or 24 months (depending on the number of years of 1099 statements provided) to determine monthly income <p>Year-to-date earnings must be obtained to support income being used to qualify for Note dates after April 15</p>
Product Summaries – SmartEdge and SmartSelf	Product Summaries – SmartEdge and SmartSelf
Housing Payment History <ul style="list-style-type: none"> Housing Payment History <ul style="list-style-type: none"> 1x30x12 permitted except for the following, which requires 0x30x12 <ul style="list-style-type: none"> Asset Qualifier Borrower has had any previously modified mortgage within the past 24 months First Time Homebuyer Non-warrantable condos 12 months may include a combination of mortgage and/or rental payment history to meet housing payment 	Housing Payment History <ul style="list-style-type: none"> Housing Payment History <ul style="list-style-type: none"> 1x30x12 permitted except for the following, which requires 0x30x12 <ul style="list-style-type: none"> Asset Qualifier Any previously modified mortgage within the past 24 months First Time Homebuyer Non-warrantable condos Applies to all mortgages and rental payments within the 12 months prior to closing

<p>history requirements, if applicable</p> <ul style="list-style-type: none"> ○ Applies to all mortgages on all financed properties ○ Inclusive of all liens regardless of position 	
<p>Reserves</p> <p>Maximum reserves was \$3,000,000</p>	<p>Reserves</p> <p>Updated Maximum reserves to \$3,500,000 to align with maximum loan amount</p>
<p>Multiple Financed Properties</p> <p>Borrowers limited to eight loans with Newrez not to exceed \$3,000,000 in aggregate</p>	<p>Multiple Financed Properties</p> <p>Borrowers limited to eight loans with Newrez not to exceed \$3,500,000 in aggregate</p>
Product Summaries SmartVest	Product Summaries SmartVest
<p>Ineligible Borrowers</p> <ul style="list-style-type: none"> • Non-Permanent Resident Alien • First Time Homebuyers • Non-arm's length transactions between family members <p>Loans from principal/owner of Newrez third party originators are not eligible when the principal/owner is also the originator of their own loan</p>	<p>Ineligible Borrowers</p> <ul style="list-style-type: none"> • Non-Permanent Resident Alien • First Time Homebuyers only when all borrowers on the loan are FTHB. • Non-arm's length transactions between family members <p>Loans from principal/owner of Newrez third party originators are not eligible when the principal/owner is also the originator of their own loan</p>
Smart Edge, Smart Self and Smart Vest Guidelines	Smart Edge, Smart Self and Smart Vest Guidelines
<p>Vesting Options:</p> <p>SmartEdge & SmartSelf</p> <p>Must vest in the name of an individual(s)</p> <p>Vesting in a company is not permitted (Corporations, LLCs, Partnerships, and S</p>	<p>Vesting Options:</p> <p>Allow Vesting in an LLC for SmartEdge, SmartSelf and SmartVest (Investment Properties Only)</p>

Corporations	
<p>6A.4(a) Financial Institution Accounts</p> <p>Account Statements:</p> <p>Account statements may be obtained to document the borrower's assets.</p> <p>Obtain the most recent two (2) months account statements or the most recent quarterly account statement.</p> <ul style="list-style-type: none"> Account statements must be dated within 45 days of application. <ul style="list-style-type: none"> Quarterly account statements dated more than 45 days and less than 90 days are acceptable with verification that the funds are still available but cannot be older than 120 days. 	<p>6A.4(a) Financial Institution Accounts</p> <p>Account Statements:</p> <p>Account statements may be obtained to document the borrower's assets.</p> <p>Obtain the most recent two (2) months account statements or the most recent quarterly account statement.</p> <ul style="list-style-type: none"> Monthly account statements must be dated within 45 days of application. <ul style="list-style-type: none"> Quarterly account statements are not required to be dated within 45 days of application but cannot be older than 120 days. If the statement is over 90 days old, verification that the funds are still available is required.
<p>6A.4(h) Gift Funds</p> <p>Cannot be used towards reserves</p>	<p>6A.4(h) Gift Funds</p> <p>Removed: Cannot be used towards reserves</p>
<p>8A.7(b) (ii) Asset Amortization Calculation</p> <p>Down payment, closing costs and any necessary adjustments as outlined above must be subtracted from eligible asset sources to determine net available assets. 100% of the eligible assets will be amortized over 240 months to calculate a qualifying asset-based income.</p>	<p>8A.7(b) Asset Based Income Calculation – Edge and Self Only</p> <p>Down payment, closing costs and any necessary adjustments as outlined above must be subtracted from eligible asset sources to determine net available assets. 100% of the eligible assets will be amortized over 60 months for Primary and 2nd Home and 240 months for investment</p>

	<p>properties to calculate a qualifying asset-based income.</p> <p>Updated the Examples to reflect calculations based on changes</p>
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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](https://www.newrez.com/correspondent)

Newrez Operations 877-700-4622

Newrez Registration Desk/NT Desks 866-396-4622

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](#).