



IMPORTANT REMINDER BULLETIN 37 09252025

Issued to: All Channels
Date: September 25, 2025
Subject: Tax Return Requirements & Purchase Contract Addendums
Effective: Immediately

Individual and Business IRS Tax Return Requirements

IRS Filing Extensions for 2024 returns **expire** 10/15/2025

With the end of the tax return extension period approaching, we want to ensure all teams are prepared for upcoming changes. Please review the following guidance carefully:

Effective Date:

- Applications taken on or after 10/15/2025: 2024 personal and business IRS income tax returns (as applicable) are required.
- Applications taken prior to 10/15/2025: Must have a note date no later than 11/1/2025 to avoid requiring 2024 returns.

Documentation Requirements:

- Automated Underwriting (AUS): If two years of tax returns are required, both 2023 and 2024 must be provided.
- Validated Income Services (DU or LPA): Tax transcript age requirements as provided by the validation service are acceptable.

Borrowers on Tax Return Extension:

Underwriters **must** evaluate the credit file to ensure income stability; therefore, additional documentation may be required.

- **Fannie Mae & Freddie Mac:**

- Additional documentation may be requested to establish stability, including:
 - Profit & Loss (P&L) statements covering the period since the last tax return filing(s),
 - Financial statements,
 - Business bank statements,
 - Quarterly tax returns, or other supporting records.

- **FHA:**

- P&L statement covering the period since the last tax return filing(s) and balance sheet required (balance sheet is not required when income source is solely Schedule C).
- If qualifying income exceeds the two-year tax return average, an audited P&L or signed quarterly tax return from the IRS is required.

- **VA:**

- P&L statement covering the period since the last tax return filing(s) and current balance sheet required.

All Products:

Supporting documentation must clearly demonstrate a stable or increasing income stream to ensure loan eligibility and compliance.

Purchase Contract Addendum's – Timing Matters!

We have been receiving updated purchase contract addendums *after* loans have been cleared to close (CTC). Late contract addendums can cause unnecessary delays in closing, create inefficiencies in the process, and, most importantly, the impact on the overall customer experience.

To keep things running smoothly, please send all purchase contract addendums to us as soon as they are executed. This allows the Underwriter to update and clear the loan for closing accurately and prevents last-minute surprises. Think of it as giving us a GPS reroute before we have already pulled into the driveway, much easier, much less stress.

We are committed to making the closing experience smooth, efficient, and on time. Your timely delivery of contract changes helps us get there together.

Thank you for partnering with us to keep the process moving forward.

Please contact your Account Executive should you have any questions.

We appreciate your business!