

# CREDIT POLICY ANNOUNCEMENT

## Bulletin- 2023-46 | Guide and Matrices Updates

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### Implementation Information

- Pipeline Impact: Updates that are more restrictive must be applied to applications dated 12/4/2023 and beyond. Updates that are more lenient are effective immediately for all loans in progress and all new loans registered

### Update:

The following updates have been made to the guide and matrices. Visit <https://wholesale.springeq.com/> for the updated guide and matrices. Please contact your account executive with questions.

#### Guideline updates:

- **Title Documentation** – New language was added to clarify that 3rd liens or any subordinate lien following a Spring EQ lien are not permitted
- **Transaction Types** – Loans with a 3rd lien or any subordinate lien following a Spring EQ lien was added as an Ineligible Transaction Type
- **Significant Derogatory Credit** – The language “*other than the subject property*” was removed from the guideline for Charge-Off of a Mortgage Account, Deed-in Lieu, Pre-foreclosure Sale, Short Sale, Restructured Payoff, or Short Payoff secured by a property
- **Rental Income Calculation and Documentation** – New language was added to clarify that cash deposits to verify receipt of rents is not permitted
- **Unacceptable Sources of Income** – Cash deposits to verify receipt of rents is not permitted was added

#### Matrices update:

- **Lien Positions & States (All Product Matrices)**– New language was added to clarify that 3rd liens or any subordinate lien following a Spring EQ lien are not permitted
- **Value Seasoning** – The \$250,000 loan amount overlays were removed, establishing standardized requirements for all loan amounts, ensuring uniformity regardless of the size of the loan
- **Ineligible Property Types** –
  - Second Homes greater than 1 unit was added
  - Properties with unpermitted additions was added
- **Significant Derogatory Credit** – The language “*other than the subject property*” was removed from the guideline for Charge-Off of a Mortgage Account, Deed-in Lieu, Pre-foreclosure Sale, Short Sale, Restructured Payoff, or Short Payoff secured by a property