

CREDIT POLICY ANNOUNCEMENT

Bulletin- 2023- 25 | Guide and Matrices Updates

Implementation Information

- Pipeline Impact: 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:

- **Secondary Employment and/or Multiple Jobs-** Added new language: When a gap of employment greater than one month in the most recent 24-month period is documented, the income from secondary or multiple employers cannot be used for qualification purposes
- **Self-Employed-** New language was added to clarify that when there is a significant increase in the self-employed income, a third years tax return is not required if the qualifying income is calculated using the previous years tax return excluding the tax return showing the significant increase.
 - Example:
2022 extension filed, \$7,000 monthly income calculated for 2021, \$3,000 monthly income calculated for 2020
If the borrower qualifies with the \$3,000, a third years tax return is not required.
- **Retirement, Annuity Income, and IRA Distributions-** New language was added to clarify when the annuity documentation shows "lifetime benefit", no additional documentation is required
- **Unacceptable Sources of Income-** Updated the language to clarify that personal gambling winnings are unacceptable
- **Flood Insurance-** Removed the requirement for all pages of a private flood insurance policy

Matrices updates:

- **Ineligible Property Types-** Added Monolithic Domes