

CREDIT POLICY ANNOUNCEMENT

Bulletin- 2023- 24 | 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:

- **Housing Payment History-**
 - Added new language: When the mortgage statement shows past due mortgage payments and/or an amount more than one month's accrued late charges, proof of payment is required prior to closing
 - Updated the language to clarify payment history is required for all mortgages when the borrower is obligated on the mortgage/note on all REO for all borrowers on the transaction.
 - Updated the language to clarify payment history is required for any mortgage lien on the subject property where the borrower is not a note holder or the first lien is not reporting on credit
- **Self-Employed-** Added new language to clarify when there is a significant increase in the self-employed income, the third year's tax return we require cannot be more than 2 tax periods from the year that the most recent tax return was due

Matrices updates:

- **Maximum Total Financing (all product matrices)-** Updated the language to clarify that the \$500,000 maximum total financing for a single borrower is for the principal balance of Spring EQ originated loans
- **Ineligible Senior Lien (Plus product matrices only)-** Added: Senior liens that have been assumed
- **Assumptions (all product matrices)-** Updated the language to clarify that Spring EQ originated loans are not assumable
- **Housing History (all product matrices)-**
 - Updated the language to clarify payment history is required for all mortgages when the borrower is obligated on the mortgage/note on all REO for all borrowers on the transaction.
 - Updated the language to clarify payment history is required for any mortgage lien on the subject property where the borrower is not a note holder or the first lien is not reporting on credit
- **Lien Positions & States (all product matrices)-** Added new language to clarify that Spring EQ must be in 2nd lien position at the time of closing. The only exclusions to that language are Spring EQ HELOC's originated in the 1st lien position