

CREDIT POLICY ANNOUNCEMENT

Bulletin- 2024-24 | Guideline Updates

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

Matrices updates by section:

- Housing Payment History (page 1) – *Must be applied to applications dated 9/10 and beyond*
 - The housing history requirements for all occupancy types has changed
 - For Owner Occupied properties, the language has changed from Max 0x30x6 and 1x30x12 (No late payments in the last 6 months & Max of 1-30 day late payments in the past 7 to 12 months) to Max 1x30x24 (No late payments in the last 6 months with one allowable 30-day late payment in the past 7 to 24 months)
 - For 2nd Home and Investment properties, the language has changed from Max 0x30x6 and 1x30x12 (No late payments in the last 6 months & Max of 1-30 day late payments in the past 7 to 12 months) to Max 0x30x24 (No late payments in the last 24 months)
 - Both requirements are inclusive of all mortgages for all borrowers on the transaction when the borrower is obligated on the mortgage/note
- Tradeline Requirements (page 2) – *Effective immediately for all loans in progress and all new loans*
 - New language was added to clarify that the credit report(s) utilized, whether joint or individual, must meet one of the tradeline requirements outlined in the guideline
- Ineligible Property Types (page 3) – *Effective immediately for all loans in progress and all new loans*
 - New language was added to clarify the date that should be used to determine if a property was listed for sale within the past 120 days
- Title Restrictions (page 4) – *Effective immediately for all loans in progress and all new loans*
 - All Ineligible Ownership Interests currently listed in the UW Guide, including the newly added “Land Contracts”, have been added

UW Guideline updates by section:

- Title Documentation (page 13) – *Effective immediately for all loans in progress and all new loans*
 - Land contracts have been added to the list of Ineligible Ownership Interests
- Tradeline Requirements (page 18) – *Effective immediately for all loans in progress and all new loans*
 - New language was added to clarify that the credit report(s) utilized, whether joint or individual, must meet one of the tradeline requirements outlined in the guideline
- W-2s (page 36) – *Effective immediately for all loans in progress and all new loans*
 - The requirement for the W-2 to be the employee copy provided by the employer has been removed
 - W-2s must still be computer generated or typed, legible, and without alterations
- Secondary Employment and/or Multiple Jobs (page 41) – *Effective immediately for all loans in progress and all new loans*
 - The period during which a documented gap in employment greater than one month making the income from secondary and/or multiple employers unusable for qualification purposes has been reduced from 24 months to 12 months
- Self-Employed (page 44) – *Effective immediately for all loans in progress and all new loans*
 - The following language has been removed: All businesses are assessed separately for the five-years in existence benchmark and the number of years of personal and federal income tax returns required could differ when there are multiple self-employment income sources
- Other Income Sources (page 47) – *Effective immediately for all loans in progress and all new loans*
 - The following language has been removed from this specific section of the guidelines: If used to qualify the Borrower, document a history of regular receipt and the probability of 3 years continuance.
 - 3-years continuance is still required for any Borrower whose income is being used to qualify. Refer to the Stability and Continuance of Employment and Income guideline for more information