

CREDIT POLICY ANNOUNCEMENT

Bulletin- 2024-11 | Matrices and UW Guideline Updates

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

Significant update: *Must be applied to applications dated 4/12 and beyond*

- The maximum loan amount for the HELOAN Plus product has been raised from \$249,999 to \$500,000

Matrices updates by section:

- **Housing Payment History** (*all product matrices*) – *Effective immediately for all loans in progress and all new loans registered*
 - The statement "Rent-free borrowers are ineligible for all transaction types" was removed
 - New language was added to specify the circumstances under which a rent-free borrower is eligible
- **Lien Positions & States** (*all product matrices*) – Idaho and Wyoming have been removed from the states where we do not lend
- **Loan Amount** (*HELOAN Plus matrices*) – *Must be applied to applications dated 4/12 and beyond*
 - The maximum loan amount has been raised from \$249,999 to \$500,000

UW Guideline updates by section:

- **Borrower Types** – *Effective immediately for all loans in progress and all new loans registered*
 - The guideline language now includes "including but not limited to" regarding the documentation that can be used to prove residency and contributing to expenses when adding a co-borrower after application
- **Housing Payment History** – *Effective immediately for all loans in progress and all new loans registered*
 - The statement "Rent-free borrowers are ineligible for all transaction types" was removed
 - New language has been added to clarify that the borrower must qualify with the housing payment for the primary residence and/or the subject property when they are not a note holder on a mortgage lien (e.g. mortgage held by another party)
 - New language was added to specify the circumstances under which a rent-free borrower is eligible
- **Self-Employed** – *Effective immediately for all loans in progress and all new loans registered*
 - New language was added to clarify that when a borrower provides 2 years of personal and/or business tax returns, regardless of the reason, all pages and schedules of the most recent 2 years returns are required. As a result, the qualifying income will be based on 2 years tax returns, regardless of the length of the self-employed history
- **Rental** – *Effective immediately for all loans in progress and all new loans registered*
 - New language was added to clarify that rental income must be averaged over the most recent 2 years unless it is declining, then the most recent 12 months will be averaged

