

CREDIT POLICY ANNOUNCEMENT

Bulletin- 2024-26 | 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:

- FICO / CLTV & HCLTV / Occupancy Maximums (page 1) – *Must be applied to applications dated 10/4 and beyond*
 - The maximum CLTV for second homes has been decreased from 80% to 70% for borrowers with a FICO scores between 720 and 739. This change applies to all products
 - As a result of the change, the FICO score ranges of 680 to 739 have been merged into a single bucket on the matrices, since the maximum CLTV's for all occupancy types are now uniform within that range
- Appraisal Requirements (pages 2 & 3) – *Must be applied to applications dated 10/4 and beyond*
 - The criteria for using AVM's and Drive-By appraisals have been expanded, increasing the limit from \$250,000 with no CLTV restrictions to \$400,000 with CLTV restrictions. This change applies to all products
 - The requirements for investment properties and 2-4 unit properties have been updated to require a full appraisal for loans or maximum line amounts greater than or equal to \$250,000. This change applies to all products
 - As a result of the changes, we have added a table that details the eligible appraisal types based on lien position and loan criteria

UW Guideline updates by section:

- Union Members (page 56) – *Effective immediately for all loans in progress and all new loans*
 - New language has been added to clarify that a 2-year history of Union employment is required to use the income to qualify
- Restricted Stock Units (page 57) – *Effective immediately for all loans in progress and all new loans*
 - The language has been updated to clarify the requirements for RSU income when the income has been received for 12 to 24 months, as well as when it has been received for more than 24 months

