

CREDIT POLICY ANNOUNCEMENT

Bulletin- 2025-18 | 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.

UW Guideline updates – *All updates are effective immediately and can be applied to existing loans in process*

- **Significant Derogatory Credit** (page 19):
 - The following language has been added to clarify the waiting period when a mortgage debt is discharged through bankruptcy:
When a mortgage debt is discharged through bankruptcy, the greater of the applicable bankruptcy or foreclosure waiting periods must be applied
- **Bonus or Overtime** (page 39):
 - The guideline language has been updated to replace “18” with “12” and “*must be averaged over 24 months*” with “must be averaged over the number of months the income has been received as long as the borrower’s loan application demonstrates that there are positive factors that reasonably offset the shorter income history” in the following guideline to clarify how bonus or overtime income must be calculated when received for more than 12 months but less than 2 years.
 - The updated guideline reads: When the income has been received for less than 2 years but greater than 12 months, the income can be used to qualify, however the income must be averaged over the number of months the income has been received as long as the borrower’s loan application demonstrates that there are positive factors that reasonably offset the shorter income history.
- **Commission** (page 39 - 40):
 - The guideline language has been updated to replace “18” with “12” and “*must be averaged over 24 months*” with “must be averaged over the number of months the income has been received as long as the borrower’s loan application demonstrates that there are positive factors that reasonably offset the shorter income history” in the following guideline to clarify how commission income must be calculated when received for more than 12 months but less than 2 years.
 - The updated guideline reads: When the income has been received for less than 2 years but greater than 12 months, the income can be used to qualify, however the income must be averaged over the number of months the income has been received as long as the borrower’s loan application demonstrates that there are positive factors that reasonably offset the shorter income history.

Matrix Updates – *All updates are effective immediately and can be applied to existing loans in process*

- **Significant Derogatory Credit** (page 4):
 - The following language has been added to clarify the waiting period when a mortgage debt is discharged through bankruptcy:
When a mortgage debt is discharged through bankruptcy, the greater of the applicable bankruptcy or foreclosure waiting periods must be applied