

# CREDIT POLICY ANNOUNCEMENT

## Bulletin- 2025-22 | Guideline Updates

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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](#) – Effective immediately and can be applied to existing loans in process

- **Senior Lien Terms (page 14):**
  - The following language has been revised:
    - Removed: *Balloon mortgages (balloon terms resulting from a loan modification are acceptable subject to the terms in modification requirement. The Spring EQ mortgage term cannot exceed the balloon payment due date)*
    - Replaced with: *Senior liens that contain a balloon payment feature that will become due within 5 years of the second lien subject note date*
- **Deferment or Forbearance (pages 14-15):**
  - The guideline title has been revised:
    - “*Modification*” has been removed
    - The guideline title now appears as *Deferment or Forbearance*
  - The guideline language has been updated as follows:
    - Removed: *Any current senior lien that has been modified from the original terms requires all pages of the fully executed modification agreement. Balloon terms resulting from a loan modification are acceptable subject to the terms in the modification requirement. The Spring EQ mortgage term cannot exceed the balloon payment due date. If modification documents indicate a partial claim, review the ineligible senior lien types above.*
    - New language added within the guideline: *When a deferred balance appears on the first lien mortgage statement, the remaining term of the existing first lien must be greater than 5 years from the note date. The remaining term can be verified using the existing credit report, deed of trust, or the original note.*
- **Major Adverse Credit (page 20):**
  - The following language has been added to clarify the treatment of medical collection accounts:
    - New language: *Medical collection accounts do not need to be paid in full at or prior to closing. These accounts may remain open provided they do not affect title.*

### [Matrix Updates](#) – Effective immediately and can be applied to existing loans in process

- **Ineligible Senior Liens (page 4):**
  - The following language has been revised:
    - Removed: *Balloon mortgages (balloon terms resulting from a loan modification are acceptable subject to the terms in modification requirement. The Spring EQ mortgage term cannot exceed the balloon payment due date)*
    - Replaced with: *Senior liens that contain a balloon payment feature that will become due within 5 years of the second lien subject note date*