

CREDIT POLICY ANNOUNCEMENT

Bulletin- 2026-10 | Guideline Updates

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

JW Guide Updates:

- **Senior Lien Terms (page 14): Effective immediately for all loans in progress and all new loans**
 - The following language was added to clarify that tax liens, judgment liens, and partial claims resulting from a loan modification may be paid prior to closing or with loan proceeds.
** Can be paid prior to closing or with loan proceeds. Review the Significant Derogatory Credit guideline regarding modified mortgage accounts*
- **Deferment or Forbearance (page 14): Effective for lock dates on or after 7/1/2026**
 - The language requiring the documentation of 3 monthly payments at the current payment once the deferment or forbearance period has expired, along with the related document requirements language has been removed.
- **Bonus or Overtime (page 38): Effective for lock dates on or after 7/1/2026**
 - The documentation requirements have been updated, as shown in italics below.
 - Previous language:
The following documentation is required:
 - *Written Verification of Employment or an Automated Verification of Income including the year-to-date and prior 2 years earnings OR*
 - *Most recent pay stub(s), W-2s for the most recent 2 years AND*
 - *The year-end pay stubs for the most recent 2 years*
 - The updated guideline language reads:
The following documentation is required:
 - *Written Verification of Employment (WVOE) or an Automated Verification of Income (VOI) reflecting the year-to-date earnings and the prior 2 years earnings OR*
 - *Most recent pay stub(s) dated within the required timeframe AND EITHER:*
 - *W-2s for the most recent 2 years OR*
 - *Year-end pay stubs for the most recent 2 years reflecting the bonus and/or overtime income*
- **Commission (page 39): Effective for lock dates on or after 7/1/2026**
 - The documentation requirements have been updated, as shown in italics below.
 - Previous language:
The following documentation is required:
 - *Written Verification of Employment or an Automated Verification of Income including the year-to-date and prior 2 years earnings OR*
 - *Most recent pay stub(s), W-2s for the most recent 2 years AND*
 - *The year-end pay stubs for the most recent 2 years*
 - The updated guideline language reads:
The following documentation is required:
 - *Written Verification of Employment (WVOE) or an Automated Verification of Income (VOI) reflecting the year-to-date earnings and the prior 2 years earnings OR*
 - *Most recent pay stub(s) dated within the required timeframe AND EITHER:*
 - *W-2s for the most recent 2 years OR*
 - *Year-end pay stubs for the most recent 2 years reflecting the bonus and/or overtime income*

Matrix Updates:

- **Maximum Total Financing (page 1): Effective for lock dates on or after 7/1/2026**
 - The following language has been removed:
 - *Single Borrower - \$750,000 in aggregate (principal balance of Spring EQ originated loans)*
 - *Aggregate is defined as the sum of all outstanding closed end loans and the loan or maximum line amount*
 - The total amount (1st and 2nd lien combined) has been updated as follows:
 - *Primary Residence – From \$3,000,000 To \$5,000,000*
 - *Second Homes & Investment Properties – From \$2,000,000 To \$3,000,000*
- **Housing Payment History (pages 1-2): Effective for lock dates on or after 7/1/2026**
 - The language requiring the documentation of 3 monthly payments at the current payment once the deferment or forbearance period has expired has been removed.
- **Appraisal Requirements (pages 2-3): Effective for lock dates on or after 7/1/2026**
 - The acceptable appraisal types for 1st mortgage HELOC's has been updated to allow an AVM or Drive-By **for maximum line amounts less than or equal to \$400,000**
 - Maximum line amounts **greater than \$400,000** will only allow a full appraisal, prior use appraisal, or Piggyback 1st Lien appraisal
 - Refer to the grid for acceptable appraisal types by product type
 - Additional language has been added to clarify that a Property Condition Report also known as a Property Condition Inspection (PCI) is required when an AVM is used to determine property value
- **Ineligible Senior Lien (page 4): Effective immediately for all loans in progress and all new loans**
 - The following language was added to clarify that tax liens, judgment liens, and partial claims resulting from a loan modification may be paid prior to closing or with loan proceeds.
** Can be paid prior to closing or with loan proceeds. Review the Significant Derogatory Credit guideline regarding modified mortgage accounts*