CREDIT POLICY ANNOUNCEMENT

30-Day Advance Notice: Correspondent Guideline Change

To provide adequate time to prepare and communicate the upcoming change, we are providing 30-calendar days advance notice of the following less advantageous changes to the Significant Derogatory Credit guideline.

The updated Correspondent Underwriting Guide and Matrix including the changes will be announced and published on Tuesday, 12/15/2026. The change will be effective for applications dated on or after 12/15/2026. Please contact your account executive with questions.

Current Guideline*:*

For cases where a significant derogatory event has occurred, the period of time that must elapse prior to loan eligibility is as follows:

- Foreclosure – 7 Years
- Charge-Off of a Mortgage Account, Deed-in Lieu, Pre-foreclosure Sale, Short Sale, Restructured Payoff, or Short Payoff of a mortgage secured by a property – 4 years
- Chapter 7 or 11 Bankruptcy – 4 years from discharge or 4 years from dismissal
- Chapter 13 Bankruptcy – 2 years from discharge or 4 years from dismissal
- When a mortgage debt is discharged through bankruptcy, the greater of the applicable bankruptcy or foreclosure waiting periods must be applied
- Multiple events within the past 7 years are not permitted

Pending Guideline Changes *(shown in red):*

For cases where a significant derogatory event has occurred, the period of time that must elapse prior to loan eligibility is as follows:

- Foreclosure – 7 Years
- Charge-Off of a Mortgage Account, Deed-in Lieu, Pre-foreclosure Sale, Short Sale, ~~Restructured Payoff,~~ or Short Payoff of a mortgage secured by a property – 4 years
- Modified Mortgage Account (temporary or permanent) – 4 years
    - If temporary, the repayment period must have ended no less than four years ago
- Chapter 7 or 11 Bankruptcy – 4 years from discharge or 4 years from dismissal
- Chapter 13 Bankruptcy – 2 years from discharge or 4 years from dismissal
- When a mortgage debt is discharged through bankruptcy, the greater of the applicable bankruptcy or foreclosure waiting periods must be applied
- Multiple events within the past 7 years are not permitted