



IMPORTANT UPDATE

BULLETIN 37-08232022

Issued to: All Channels

Date: August 23, 2022

Subject: Prime Jumbo and Conventional Lending Product Update

Effective: Immediately

GHMC is pleased to announce that we have made updates to our Conventional and Prime Jumbo Lending Products effective immediately. Several overlays have been removed and updates were made to align with investor guidance. Please see the information below.

Conventional Lending Product Update and Overlay Removal

| Section | Date | Update |
|-------------------------------|------------|--|
| Products & Terms | 08.16.2022 | Overlay Removed: <ul style="list-style-type: none"> Minimum Term on Freddie Mac LPA fixed rate loans is 180 months |
| Credit Score | 08.16.2022 | Overlay Updated: <ul style="list-style-type: none"> At least one borrower on the loan must have a credit score |
| Appraisals | 08.16.2022 | Removed language referring to Delegated Correspondents & Non- Delegated Correspondents |
| Sales Contract | 08.16.2022 | Overlay Removed: <ul style="list-style-type: none"> GHMC will not accept renegotiated purchase agreements that increase the sales price after the original appraisal has been completed. The Loan to Value will be based on the lower of the original purchase price or the appraised value. |
| Significant Derogatory Events | 08.16.2022 | Overlay Removed: <ul style="list-style-type: none"> Shorter periods for extenuating circumstance are generally not allowed but may be considered based on a verifiable catastrophic life event. Second level review and approval by Underwriting Manager is required |

Prime Jumbo Guide Update

| Section | Date | Update |
|------------|------------|---|
| Gift Funds | 08.16.2022 | Added: <ul style="list-style-type: none"> The dollar amount of the gift, the date the funds were transferred ("At closing" if funds to be sent directly to closing agent), the donor's name, address, telephone number, his/her relationship to the borrower. |

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| Stocks and Other Securities | 08.16.2022 | Added: <ul style="list-style-type: none">• If there is a margin account secured by stock/securities, the borrower's total assets must be reduced by the margin account's outstanding balance amount, plus any overdrawn amount. |
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Please refer to the Conventional and Prime Jumbo Guidelines for complete product details. The **Conventional Snapshot** and **Prime Jumbo Guidelines** are posted in the Resource Center's Product Guidelines – Conventional sub-folder.

Please contact your Account Executive with any questions.

We appreciate your business!