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### COVID-19 TEMPORARY CREDIT POLICY UPDATE(S)

#### ***NON-AGENCY TRANSACTIONS: INCOME DOCUMENTATION REQUIREMENTS***

Clarification has been added to the Wage Income section of this topic as shown below. (Italicized text reflects updates.)

**Effective with new applications on or after May 4, 2020:** *Electronic verification of income* obtained from third-party verification service providers is *not* permitted.

**Note:** *A Verbal Verification of Employment obtained from third-party verification provider remains permitted as defined in the Correspondent Manual's Non-Agency chapter.*

Manual Section(s) Impacted: 1501

### NOTICE(S)

#### ***GENWORTH NAME CHANGE***

References to Genworth have been updated to reflect their recently announced name change to Enact.

Manual Section(s) Impacted: 904

## CLARIFICATION(S)

### CONDO / CO-OP UPDATES

Ownership requirements for common elements in condo and co-op projects have been clarified as shown below.

Unit owners must have sole ownership in AND the right to the use of common elements. If both requirements are not met, the project is ineligible.

Manual Section(s) Impacted: 602, 606, 609, 610

### NON-AGENCY TRANSACTIONS

The clarifications outlined below have been made to Non-Agency policy.

- **Transaction Types/Refinance Restrictions topic** – Updates to seasoning requirements have been made as shown.
  - Cash-out refinance transactions: Must be owned for at least *six months*.
  - Rate/Term Refinance transactions: *refer to the loan amount calculation*
  - *Additional restrictions may apply. Refer to individual topics within this section (examples: spousal buyout, land contract, etc.).*

- **Source of Funds/Asset Verification Requirements** – The following paragraph addressing requirements for third-party verification service providers has been added along with a table outlining eligible asset types:

*The borrower must provide the proper authorization for the lender to use this verification method. The verification must contain the same information and meet the same requirements as reflected on a Verification of Deposit or Account Statements as noted above. If any required information is missing, additional documentation to supplement the third-party verification must be obtained.*

Manual Section(s) Impacted: 1508.1, 1508.4

## REMINDER(S)

### SOFR ARM MARGIN CAP

As published in SOFR ARM/Adjustment Caps and Non-Agency Fixed & SOFR ARM/Adjustment Caps topics, the maximum margin for all SOFR ARM products is 2.75%.

Manual Section(s) Impacted: 204, 1502.1



# Correspondent Lending Bulletin

## MANUAL SECTIONS UPDATED

204	Agency SOFR ARM
602	Limited Project Review
606	Lender Full Review
609	Co-operatives

610	Project Eligibility
904	Mortgage Insurance
1501	Non Agy COVID Policy Actions

1502.1	NA Fixed & ARM
1508.1	NA Eligibility/Transaction Types
1508.4	Non Agy Assets

For more information, contact your assigned Client Services Consultant (CSC) or Account Executive (AE).

As a reminder, the [Correspondent Lending Portal](#) is available 24/7 for all of your pipeline management needs.

This communication is to keep you informed of ongoing Citibank Correspondent program changes and is not an indication of your present or future approval status for selling loans to Citibank.

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The information contained in this Bulletin immediately (or as of any effective date indicated in the Bulletin) supplements and supersedes (to the extent there may be a conflict) the provisions of the Citibank Correspondent Loan Purchase Agreement and Citibank Correspondent Manual that govern each Loan submitted by Correspondent for Citibank's purchase after the date of the Bulletin. There may be a delay in the publication of any change to the Correspondent Manual required as a result of the information contained in the Bulletin. During the period of any such publication delay, the provisions of the Bulletin control over any conflicting provision of the Correspondent Manual.

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