

CORRESPONDENT LENDING Announcement

25-004: Guideline Updates

Date: 05/12/25
 Programs: Merchants Premium Program

Merchants Bank will update our MPP Underwriting guide effective for all locks taken on or after **May 12, 2025**. Changes apply to all MPP products. Changes associated with this update can be referenced in the Version Control section of the Underwriting Guide. Version Control 1.4 shown below. Underwriting guide can be found in the Resource Center.

<https://merchantsbankofindiana.com/tpo-resource-center/>

5/12/2025	Lock Date	1.4	<p>Section 1.01 AUS Jumbo Elite Changed Reserve minimums:</p> <ul style="list-style-type: none"> • Purchase/R&T 80LTV \$2.0M from 9 to 12 months • Purchase/R&T 80LTV \$2.5M from 12 to 18 months • Primary Cash-out 75LTV \$1.5M from 6 to 12 months • Primary Cash-out 75LTV \$1.75M from 6 to 12 months • Primary Cash-out 70LTV \$2.0M from 9 to 12 months <p>AUS High Balance Elite</p> <ul style="list-style-type: none"> • Primary Cash-out 75LTV \$1.209M from 6 to 12 months <p>Jumbo, High Balance, and Conforming Elite Products</p> <ul style="list-style-type: none"> • Removed MI requirement for LTV > 80 <p>AUS Jumbo Elite</p> <ul style="list-style-type: none"> • Added loan size minimum <p>Secondary Valuations</p> <ul style="list-style-type: none"> • Added language around LCA score <p>Mortgage Insurance</p> <ul style="list-style-type: none"> • Removed MI requirement for LTV > 80 <p>Section 5.03 Appraisal Report Requirements</p> <ul style="list-style-type: none"> • Added LCA score details <p>Section 6.04B b1</p> <ul style="list-style-type: none"> • Removed b i. loans with subordinate financing
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For Questions

If you have any questions regarding any information in this announcement, please contact your Merchants Account Executive or Client Manager.

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