



## Correspondent Seller

### Soft Pull Credit Reports Non-Delegated Correspondents

October 12, 2015

For clients using the non-delegated channel, soft pull credit reports are now only required when the circumstances addressed below are evident. Soft pull credits may be required by the Impac underwriter should the application show evidence of red flags.

Should a soft pull credit report be required, the soft pull credit report must be obtained, reviewed and approved by the Impac underwriter within 14 days of the funding of every loan. Circumstances determining when a soft pull credit report is required or not required are shown below:

- Soft pulls **not** required on Government loans (FHA/VA/USDA) **unless the credit score is less than 620 and the DTI exceeds 35%.**
- Soft pulls **not** required on streamline refinances or VA IRRRLs.
- Soft pulls **not** required on the Alt QM™ Alternative Doc Asset Qualifier or the Alt QM™ Investor programs.
- Soft pulls are **required** on the Alt QM™ Agency Plus and the Alt QM™ Alternative Doc (Bank Statement Option #2) programs.
- If the Note is dated within 30 days of the credit report, a soft pull is not required.
- Soft pulls **not** required on conventional rate and term refinances **if the borrower is lowering their payment and the DTI is less than 40%.**

The review of soft pull credit reports is designed to identify any **new** credit obligations and/or increased existing credit obligations that would adversely affect the borrower(s) credit scores or debt-to-income ratios.

Careful examination of both the monthly payments and liability balances when a soft pull credit report is required is necessary to determine if any increases/changes fall outside of the AUS tolerances published by Fannie Mae or Freddie Mac. All changes falling outside of AUS published tolerances require resubmission to the AUS for approval prior to funding the loan.

*Note:* Changes within the AUS tolerances do not require AUS resubmission and approval unless the Underwriter deems the change significant or has any other credit concern.

***Impac thanks you for your patience and continued business.***

*If you have any questions, contact your salesperson or relationship manager at 888-850-0259 Option 1.*