

BULLETIN #2015-07

TO: Distribution

DATE: March 4, 2015

RE: Scenario Desk, Delayed Financing Exception LTV/CLTV Calculation, Income Calculation Worksheet and Seller's Guide Updates

EFFECTIVE DATE: As indicated below

CMG CORRESPONDENT POLICY AND GUIDELINE UPDATES

Topics Covered in this Announcement:

- Scenario Desk Available to Sellers' Underwriters
- Update: Delayed Financing Exception LTV/CLTV Calculation
- Reminder: Income Calculation Worksheet
- Update: Seller's Guide

SCENARIO DESK

Effective Date: Immediately

CMG is pleased to announce the availability of a Loan Scenario Desk to answer Underwriter's questions about loan scenarios.

1. Send loan scenario requests to CorrScenario@cmgfi.com. Include the loan program desired.
2. Desk hours of operation are 8AM-4PM (EST) / 5AM-1PM (PST).
3. CMG will respond via email or phone within 4 hours of receipt.
4. The Scenario Desk is intended for loans not yet received by CMG. Please contact your Client Liaison for status updates on files already with CMG.
5. Only questions from Seller's Underwriters and Underwriting Managers will be answered. Loan Officers or Account Executives will be referred back to the Seller's Underwriting Manager (or equivalent) to submit scenario requests.

UPDATE: DELAYED FINANCING EXCEPTION LTV/CLTV CALCULATION

Effective Date: Immediately

Summary: CMG now aligns with Fannie Mae in the use of the current appraised value for the LTV/CLTV calculations. Fannie allows the use of the appraised value for LTV/CLTV purposes in conjunction with Delayed Financing Exception.

Notes:

- The loan amount continues to be capped at initial investment plus closing costs and prepaid expenses as required by Fannie Mae.
- With any increase in value carefully review to determine if improvements were done or there is a valid reason for the increase.
- If the reason for the increase is because the initial transaction was not arms-length then the transaction is not eligible.

Effective immediately the appraised value should be used vs the lower of appraised value or original purchase price.

REMINDER: INCOME CALCULATION WORKSHEET

Sellers must include in each loan file, CMG's "Income and Debt Worksheet" or its equivalent. The form used must clearly indicate it is the Lender's ATR/QM Determination of Safe Harbor.

If using CMG's version, please confirm your staff has access to the most current [CMG Income Calculation Worksheet](#) available in the Forms section of CMG's Seller Resources page of [CMGfi.com/Correspondent](#).

UPDATES: SELLER'S GUIDE

Effective Date: March 9, 2015

Section 7.2 Eligible for Purchase

Every effort is made to approve loans for purchase submitted by the Seller based on documentation provided. If CMG determines not to purchase the loan, the Seller is notified and the file will be suspended. CMG will allow a maximum of five business days (**formerly 30 days**) for the Seller to provide additional documentation for a reconsideration analysis. If the loan is denied for purchase consideration, CMG will provide a notification to the Seller prior to changing the status of the loan in the system. The lock will be cancelled once the file has been changed to a denied or cancelled status.

After a loan is denied for purchase, the Seller must then resubmit the file as a new loan to be considered for purchase.

Section 7.6.2 Insurance Certificate

The Seller is required to provide the following evidence of insurance coverage:

FHA: MIC certificates are due to CMG no more than 60 days after CMG purchases the loan. Seller must register Mortgagee Record Change with HUD within 15 days of CMG's purchase date. **Please note, for all Full doc, manually underwritten loans, CMG will require the MIC to be delivered prior to purchase.**

CONV: Mortgage Insurance Transfer letter is required prior to purchase. The certificate must reflect the close of escrow date and the Seller's name as the servicing company.

VA: LGC is due to CMG no more than 20 days after CMG purchases the loan. **Please note, for all Full doc, manually underwritten loans, CMG will require the LGC to be delivered prior to purchase.**

USDA: Executed USDA Loan Note Guarantee form #RD1980-17 is due to CMG no more than 30 days after CMG's purchase date.

***Please contact your Correspondent Regional Manager or
your Correspondent Liaison with any questions.***

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