

**BULLETIN #2015-12**

**TO:** Distribution **DATE:** April 10, 2015  
**RE:** New 600 Series Non-Agency Expanded Product and Update **EFFECTIVE DATE:** April 13, 2015

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**CMG CORRESPONDENT NEW PRODUCT AND GUIDELINE UPDATES**

**Topics Covered in this Announcement:**

- New: 600 Series Non-Agency Expanded
- Update: 600 Series Non-Agency Jumbo
- Webinar: CMG Correspondent Lending will provide an overview of the new and updated 600 series programs during live webinars scheduled for April 16 and April 23.

**NEW PRODUCT ANNOUNCEMENT: 600 SERIES NON-AGENCY EXPANDED**

**Summary:** CMG Correspondent Lending is pleased to announce the availability of the new 600 Series Non-Agency Expanded products effective April 13<sup>th</sup>, 2015. See below for a summary of highlights, including notations of how this product release correlates to the existing 600 Series Non-Agency Jumbo products:

**Product Terms / Codes:**

- 630-EXP 30-Year Fixed
- 605-EXP 5/1 ARM
- 607-EXP 7/1 ARM

**Non-Warrantable Condos will require use of specific product codes:**

- 630-EXPNWC 30-Year Fixed
- 605-EXPNWC 5/1 ARM
- 607-EXPNWC 7/1 ARM

Note: All products are fully amortizing.

**Eligible Borrowers:** US Citizens, Permanent Resident Alien, Non-Permanent Resident Alien, Foreign Nationals

**Underwriting Method:** Non-Agency loans are non-delegated, however, CMG requires the Correspondent Lender to fully underwrite the loan as per the published, non-agency guidelines to ensure eligibility before submission to CMG. All loans must be manually underwritten and fully documented. No documentation waivers based on Agency AUS recommendations are permitted. Please refer to the [Non-Agency Loan Submission Procedure](#) and Checklist for additional guidance on underwriting and submitting Non-Agency loans.

**Occupancy:** Primary & Second Homes

**Minimum Loan Amount:** \$100,000

**Maximum Loan Amount:** Up to \$1,500,000. Refer to Product Matrix for restrictions.

**Credit Standards:**

- FICO minimums as low as 640. Note: Credit requirements may be less restrictive than Non Agency Jumbo (i.e., 3 trades for 12 months vs 24 months). Refer to guidelines for full requirements.
- Bankruptcy/Foreclosure/Short Sale – none in past 4 years. Note: Adverse Credit Expanded compared to Non Agency Jumbo – shorter waiting period of 4 yrs (bk, f/c, short sale, deed-in-lieu) vs the Non Agency Jumbo (7 years).

- Mortgage history – 0x30 in past 12, 1x30 in 13-24 months

**Debt-to-Income Ratios:**

- Maximum DTI 50%. Note, when > 43 DTI the following apply:
  - Additional Reserves required
  - Minimum residual income levels
  - Available to US Citizens, Permanent Resident Aliens
- Limits on certain borrowers, property types apply

**Asset Depletion:** May be used as qualifying income, in total or to partially supplement other income; refer to guidelines for specific eligibility requirements.

**Property Types:**

- Allows for Non Warrantable Condos. Note: Non Warrantable condos with loan amounts from \$100,000 to \$417,000 will now be eligible on this product line instead of the existing Non Agency Jumbo. Over \$417,000 must continue to qualify under Non Agency Jumbo eligibility criteria.
- Condotels permitted.
- For other eligible property types refer to guidelines.
- Up to 7 financed properties permitted. (Non Agency Jumbo restricts to 4)

**Effective Date:** Pricing and guidelines will be available/posted effective April 13<sup>th</sup>, 2015. Prior to that, the new 600 Series Non Agency Expanded Guidelines are available by [CLICKING HERE](#).

**UPDATES TO 600 SERIES NON-AGENCY JUMBO THAT COINCIDE WITH THE RELEASE OF THE NON-AGENCY EXPANDED**

**Summary:** See below for significant changes to the existing 600 Series Non-Agency Jumbo guidelines that will coincide with the rollout of the 600 Series Non-Agency Expanded products. Updates include, but are not limited to:

- Guidelines/matrix released in new format.
- Non warrantable condos have a minimum loan amount of \$417,001. (Loan amounts from \$100,000 - \$417,000 are available on the “Expanded” product.)
- Condotels are no longer eligible on this product. However, Condotels are available on the “Expanded” product.
- Asset Depletion is no longer permitted. However, this is now an option on the “Expanded” product.
- Other guideline updates to coincide with current investor requirements are highlighted.

**Effective Date:** Updated guidelines will be available and posted effective April 13<sup>th</sup>, 2015. The updated 600 Series Non Agency **Jumbo** Guidelines are available by [CLICKING HERE](#).

**WEBINAR: INTRODUCING THE EXPANDED NON-AGENCY 600 SERIES AND UPDATES TO THE 600 SERIES NON-AGENCY JUMBO GUIDELINES**

[REGISTER HERE](#) NOW to attend an overview of these exciting program guidelines, the non-delegated loan submission and underwriting process, and to address all of your questions. Calls will be hosted live on Thursday, April 16 at Noon (PDST), 1pm (MTN), 2pm (CDST) and 3pm (EDST) and Thursday, April 23 at Noon (PDST), 1pm (MTN), 2pm (CDST) and 3pm (EDST). Recorded webinars will be posted to [cmgfi.com/correspondent/resources](http://cmgfi.com/correspondent/resources).

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

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