

BULLETIN #2017-27

TO: Distribution

DATE: June 28, 2017

RE: CMG Financial Correspondent Lending Updates

EFFECTIVE: As noted below

CMG FINANCIAL CORRESPONDENT LENDING UPDATES

Topics Covered in this Announcement:

- Disaster Policy Reminder – It's Hurricane Season
- CMG Property Standards Reminder & Clarification
- 6200, 6600, 6700, 7200, & 7600 Series Jumbo Guideline Updates

DISASTER POLICY REMINDER-IT'S HURRICANE SEASON

Summary: As the coastlines prepare for this year's tropical storm and hurricane season this is a reminder of CMG's disaster policy and the impact to loan closing when a disaster does strike.

The designation of an area as a "disaster area" for the purpose of CMG's Disaster Policy is made by CMG Corporate Credit and can be based on a federally or state declared disaster area (FEMA or state/federal agency), or through knowledge of a disaster as a result of news and media or personal contacts. When a property is located in a Disaster Area, The lender must verify the structure is sound and not negatively impacted by the Disaster. This must be verified prior to closing / purchasing the loan.

- CMG will require recertification from the appraiser on all loans located in the affected Counties prior to closing / purchase;
- If the county is indicated as being in a declared disaster area, the policy must be adhered to;
- The Disasters are referenced with both an incident start date and an incident ending date. The property is considered potentially impacted for 120 days from the incident END date to the date of the property inspection or valuation date; □
- If a full appraisal was obtained on the property prior to the declared disaster's incident end date, the inspection must verify the property is sound and habitable and in the same condition as when it was appraised. Any of the following options are acceptable to satisfy this requirement:
 - A 1004D Final Inspection or Appraisal Update signed by the original appraiser
 - FNMA 2075 – Desktop Underwriter Property Inspection Report o DAIR – Disaster Area Inspection Report
- Full appraisals obtained after the declaration need to indicate the property has not been impacted by the disaster;
- If the loan qualified for a non-standard appraisal (Property Valuation Update, PIW, 1075, 2055, 2075, 2095) and a Disaster has been declared prior to funding or purchase, a full appraisal with interior and exterior inspection dated after the incident period end date is required. The nonstandard appraisal product is not permitted for 120 days after the disaster incident period end date;
- FHA Streamline loans without an appraisal will require an exterior inspection from an FHA approved appraiser;
- VA IRRRL's do not require any additional inspections;□
- DU Refi Plus and LP Open Access transactions with or without Appraisal Waivers are excluded;
- In addition, refer to Disaster Area Policy for additional specific guidance for VA loans with appraisals.

Lenders will be required to furnish CMG with the proper recertification prior to loan purchase.

Links:

[CMG Disaster Policy](#)

<https://www.fema.gov/disasters>

<http://www.nhc.noaa.gov/>

Effective Date: *This is a reminder*

CMG PROPERTY STANDARDS REMINDER & CLARIFICATION

Summary: On-site wastewater treatment systems other than acceptable septic systems are not eligible. Examples of unacceptable systems include, but are not limited to, the following:

- Vault Privy
- Incineration Toilets
- Composting Toilets
- Chemical Toilets
- Outhouses

Effective Date: *Immediately*

6200, 6600, 6700, 7200 & 7600 SERIES JUMBO GUIDELINE UPDATES

Summary: The 6200, 6600, 6700, 7200, & 7600 Series Jumbo programs are updated as follows:

- Added to Ineligible Borrowers section that Borrowers with any ownership in a business that is federally illegal, regardless if income is not being considered for qualifying are ineligible borrowers.
- Simplified the student loan calculation to align with Fannie Mae's update.
- Updated to add new names:
 - [6200 - Premier Jumbo](#).
 - [6600 – Expanded Jumbo](#)
 - [6700 – Simply Jumbo](#).
 - [7200 – Premier Non-QM](#)
 - [7600 – Expanded Non-QM](#)

Effective Date: *Immediately*

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

3160 Crow Canyon Road, Suite 400, San Ramon, CA. 94583 | 800.501.2001 | NMLS #1820 | www.cmghi.com

© 2017 CMG Financial, All Rights Reserved. CMG Financial is a registered trade name of CMG Mortgage, Inc., NMLS #1820 in most, but not all states. CMG Mortgage Inc. is an equal opportunity lender, licensed by the Department of Business Oversight under the California Residential Mortgage Lending Act No. 4150025; Loans made or arranged pursuant to a California Finance Lenders Law license No. 6053674. For information about our company, please visit us at www.cmghi.com. To verify our complete list of state licenses, please visit www.nmlsconsumeraccess.org. For more information on State licenses, please visit <http://www.cmghi.com/corporate/licensing>.

