

**MEMO #2013-22**

**TO:** Distribution

**DATE:** December 23, 2013

**RE:** Correspondent Lending ATR/QM Guidance

**EFFECTIVE DATE:** December 23, 2013

---

**Correspondent Lending ATR/QM Guidance**

This bulletin provides CMG Financial Correspondent Lending's Interim Policies pertaining to the Qualified Mortgage and Ability to Repay Rules established by the CFPB. We further provide guidance for Truth in Lending modifications required by Dodd Frank to be implemented on January 1, 2014. We welcome Seller feedback and questions to all of these policies. Please send your questions and feedback to [kraymond@cmgfi.com](mailto:kraymond@cmgfi.com). We anticipate additional guidance from the Veteran's Administration and Rural Housing in the next few weeks and Sellers should anticipate that our policies will be finalized prior to January 10, 2014.

- CMG Policy ATR/QM  
<http://docs.cmgfi.com/correspondent/CMG-Financial-Correspondent-Interim-ATR-and-QM-Guidance-122013.docx>
- CMG ATR/QM Quick Reference Guide  
<http://docs.cmgfi.com/correspondent/Draft-ATR-QM-Points-and-Fees-Quick-Reference.docx>
- CMG - RESPA - REG X Policy  
<http://docs.cmgfi.com/compliance/RESPA-Policy-Section-8-and-MSAs-et-al.pdf>
- Truth in Lending REG Z Policy/Homeownership Counseling  
<http://docs.cmgfi.com/compliance/Truth-in-Lending-and-Reg-Z-Policy-Homeownership-Counseling-Correspondent-Final.docx>
- Truth in Lending REG Z Policy Disclosing LO  
<http://docs.cmgfi.com/compliance/Truth-in-Lending-and-Reg-Z-Policy-Disclosing-Loan-Originator-Info-on-Loan-Docs-and-1003s-CORRESPONDENT-Final.doc>

View a full copy of CFPB's Ability to Repay and Qualified Mortgage Standards under the Truth in Lending Act Reg Z Rule  
[http://files.consumerfinance.gov/f/201305\\_cfpb\\_final-rule\\_atr-concurrent-final-rule.pdf](http://files.consumerfinance.gov/f/201305_cfpb_final-rule_atr-concurrent-final-rule.pdf)

Compliance with all of the regulations and Rules contained herein will be effective on any loan applications dated on/after **January 10, 2014**.

In our continuing effort to provide you with valuable tools we are providing some information via Webinars presented by Melissa Richards, CMB, Chief Legal & Risk Officer for CMG Financial:

- Understanding the Ability to Repay Rule and QM Underwriting Webinar  
<http://docs.cmgfi.com/compliance/Understanding-the-Ability-To-Repay-Rule-and-QM-Underwriting-Requirements-2013-10-08-09-59.wmv>
- Understanding Points and Fees Calculations for Section 32 and QM  
<http://docs.cmgfi.com/compliance/Understanding-Points-and-Fees-Calculations-for-Section-32-and-QM-9-19.wmv>

All of this information and more resources are posted on our website under our **Seller Resources Tab** and the **Internal Dashboard**.

Resource Tab will include Additional Industry Information regarding the Points and Fees test:

- Guidance from CFPB on Excluding Affiliate Fees  
[http://docs.cmgfi.com/correspondent/cfpb\\_guidance\\_questions\\_and\\_answers\\_on\\_qm\\_affiliate\\_fees\\_final.pdf](http://docs.cmgfi.com/correspondent/cfpb_guidance_questions_and_answers_on_qm_affiliate_fees_final.pdf)
- Guidance from CFPB on Appropriate Interest Rate for Excluding Discount points  
[http://docs.cmgfi.com/correspondent/takeaways\\_from\\_cfpb\\_discount\\_point\\_meeting.pdf](http://docs.cmgfi.com/correspondent/takeaways_from_cfpb_discount_point_meeting.pdf)
- CMG Income and Debt Analysis Worksheet  
<http://docs.cmgfi.com/correspondent/Income-and-Debt-Worksheet.xlsx>

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

3160 Crow Canyon Road, Suite 400, San Ramon, CA. 94583 | 925.983.3000 | NMLS #1820 | [www.cmgfi.com](http://www.cmgfi.com)

