

SELLER TYPE "S" CONDO REVIEW

REVISED: JUL 26, 2013

CMG Correspondent Lending will now accept Lender Full Review Type S Condominium Reviews

I. Required in all instances the DU Findings do not allow a Limited Review-required for the following loan types:

- A. All investment properties
- B. All 2nd Homes with an LTV/CLTV/HCLTV in excess of 75.00%
- C. All Primary Residences with an LTV/CLTV/HCLTV in excess of 80.00%

**** Procedures reflected below, as well as the attached Conventional Condo/PUD Warranty required to be provided by our Correspondent. ****

II. Seller to Provide Only the following items:

(Please Note: CMG will NOT review and request the Seller NOT send any Condominium Legal Docs- including, but not limited to: CC&R's, Articles of Inc, Bylaws, HOA Meeting Notes, Budget)

- A. HOA Current Balance Sheet reflecting all replacement reserves
- B. Unexpired Dec Page of the Master Insurance with 100% insurance replacement and interior coverage, or borrower to provide H0-6 policy covering 20% of value / fidelity bond insurance needs to cover reserves on balance sheet if over 20 units/1 Million Master Liability
- C. 1008 reflecting Condo Type S/Project Name
- D. Conventional Condo-/(PUD) Warranty executed by an authorized Correspondent Underwriter- (Cannot be completed by an LO or loan processor)
- E. ***Note: We do not require our correspondents to warrant PUD's***

III. Appraisals must reflect the following information

- A. Project Design Type:
- B. Project Attachment Type:
- C. Project Legal Name: (to match the Condo Rider attached to the Security Instrument)
- D. Phase (if applicable)
- E. Number of Units
- F. Number of Units Sold

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CONVENTIONAL CONDOMINIUM/PUD WARRANTY

Loan Number:	Project Name:
Borrower Name:	Phase #:
Subject Property Address:	Project Address:

Condominium and Attached PUD projects must be warranted to the applicable CMG Financial Condominium/PUD guidelines. This Certification must be fully executed and placed in every delivery package secured by a Condominium or Attached PUD. Please check the appropriate warranty code shown below.

Delegated Correspondents who perform the credit underwrite are solely responsible for examining all appropriate documentation required to perform the Condominium/PUD review in order to ensure compliance with all CMG Financial Condominium/PUD guidelines.

Condominium

Fannie Mae:

- Type Q – Limited Review for established projects or established 2-4 unit projects.
- Type S - CPM Expedited Review OR Lender Full Review. Established projects including established 2 - 4 unit projects. (CMP Project Acceptance Cert # _____) Attach the unexpired Condo Project Manager’s project certification.
- Type T – Fannie Mae Review. Any project accepted via PERS or with an unexpired Final or Conditional Project Acceptance Status (1028). Attach the Unexpired Final Project Approval or evidence that the Project is unexpired on Fannie Mae’s approved list
- Type V – DU Refi Plus

Freddie Mac:

- Full Review – New Projects Attached and Detached
- Full Review – Established Projects Attached and Detached
- Full Review – 2 – 4 Unit Condominium Project
- Streamline Review – Established Attached and Detached projects

PUD

Fannie Mae

- Type E – Established
- Type F – New or Proposed

Freddie Mac

- Established Project
- New Project

The lender is responsible for retaining all supporting documentation to complete the required review and certification. From time to time, CMG Financial, at its discretion may request all supporting documentation from the lender that was used to complete the certification.

Lender Certification

The undersigned is certifying that all appropriate documentation has been examined and the determination has been made that the project identified is in compliance with all required CMG Financial guidelines.

Name of Lender’s Authorized Agent

Title of Lender’s Authorized Agent

Signature

Date

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