CMG FINANCIAL CORRESPONDENT LENDING UPDATES

Topics Covered in this Announcement:

- Reminder: IRRRL Seasoning Requirements
- Miscellaneous Guideline Updates/Clarifications

REMEMBER: IRRRL SEASONING CLARIFICATIONS

Reminder: CMG will permit an IRRRL transactions that puts the veteran in a better financial situation even if the veteran will fall just short of the Safe Harbor seasoning requirement. The transaction must meet all CMG’s Rebuttable Presumption eligibility criteria. Refer to full memo and guidelines for additional details.

Recap of CMG’s Policy VA IRRRL Qualified Mortgage CPS 1008-ALL & Rebuttable Presumption Eligibility:
MISCELLANEOUS GUIDELINES UPDATES AND CLARIFICATIONS

UPDATE - FHA/VA:
- CMG Correspondent will no longer purchase 3/1 ARMs

UPDATE - Mortgage Credit Certificates (MCC) FNMA/FHLMC/FHA/VA/USDA:
- Now eligible for purchase by CMG Correspondent providing the following:
  - **Mortgage Credit Certificates** are not eligible to be used as income or reduction of a housing payment for purposes of qualifying the borrower.
  - In addition CMG will not complete any required IRS reporting.

CLARIFICATION - 6200 Series Jumbo:
- Correspondent 1st Party Transactions are permitted. (Correspondent TPO not permitted).
- Prior approval is required (non-delegated).

Effective Date: Updates and clarifications effective immediately. Loan Matrices will be updated and reposted by June 3rd, 2016.

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

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