



JUMBO LOAN SUBMISSION PROCEDURE

A GUIDE TO SUBMITTING THE JUMBO LOAN SERIES

Prior to submitting a Jumbo loan, please register it and generate a CMG loan number by importing the FNMA 3.2 file to the CMG portal.

Our CMG Jumbo loans entail a **pre-purchase audit** on all Jumbo Series prior to closing, the Correspondent Lender is to fully underwrite the loan per published guidelines to ensure eligibility before submission.

- Second level reviews are required on the Flex 6400 and Prime 6800 Series. The Correspondent Lender may not issue the Closing Disclosure (CD) or close the loan until the Second Level Review has been signed off by CMG.
- Note that loans submitted under the Flex 6400 Series, the Expanded 6600 Series and Expanded 7600 Non-QM **Non-Warrantable Condo** programs require submission to the CMG Project Standards Department for review condo@cmgfi.com

When the credit file is complete and ready for pre-purchase audit, upload the full credit package to CMG and include the underwriter's loan decision. Please use the Loan Submission Form (see attached) when uploading the file.

The CMG pre-purchase review will be subject to posted turn times. A conditions list will be issued when the pre-purchase audit is completed. After all the pre-purchase credit conditions are submitted and cleared, the Correspondent Lender will fund the loan and submit the completed funding package for purchase review. The loan will not be eligible for purchase if closed without conditions submitted. When all *final* conditions are received and cleared, the file will be cleared and queued for purchase.

Your designated Correspondent Liaison will provide updates throughout the process.

Thank you for choosing CMG Financial Correspondent Lending.



The file must be underwritten and a loan decision made per guidelines by the lender. This is a guideline of documentation required in a standard file. There may be additional documentation required or included in the actual loan file.

CREDIT PACKAGE

- Seller's loan approval and underwriter's cover sheet to include the identified CMG Jumbo Series Program selected for loan submission.
- Underwriter's income analysis and asset worksheet (if applicable) 1008 Completed with: income calculations, asset breakdown if not included in the above, FICO, Underwriter Name, email address and phone number, 12 month HELOC draw/line amount (if applicable)
- Initial 1003 signed by borrower(s) if face-to-face and LO, Credit report/Credit Supplements/Credit explanation/undisclosed debt monitoring borrower identification (SSN card or verification and picture ID)
- Mtg. Statements, HOA statement and HAZ insurance on all rental properties owned**
- Divorce decree/child support/alimony
- VOM required if mortgage not currently rated/VOR --- 24 months (if applicable --- 1st time homebuyer) initial disclosures – including acknowledgement of intent to proceed disclosure
- Borrower's credit authorization form signed on or prior to credit report
- Compliance report for required fees tests (Reg Z, HOEPA, and Section 32 etc...)
- Fraud Detection Report (i.e. Fraudguard, Loansafe, Dataverify)
- Final lock confirmation (lender/borrower) to validate Loan the Loan Estimate/Compliance Test
- All initial disclosures/LE/COC/e-consent
- QM Compliance Test Results/Regulatory Compliance test results (i.e. Mavent (Compliance Ease)/ TRID test
- Homeownership Counseling Disclosure and Counselor list/Itemization Fee worksheet/Acknowledgement of Intent to Proceed Disclosure/Home Loan Toolkit
- MERS
- USPS address look up
- Flood cert
- FEMA web page screenshot

INCOME DOCUMENTATION

W2 INCOME –2 YEARS VERIFICATION REQUIRED

- Paystubs reviewed for variable hours, garnishments, borrower name and address
- Borrower employed by relative with large increase or ownership in company needs to be reviewed verbal
- Verification of employment (within 10 days of closing)

SELF EMPLOYED –2 YEARS VERIFICATION REQUIRED

- 1084 Form (AGI Method) Completed - should validate no declining income trend
- 2 years 1040 with all schedules and 4506 transcripts. 2 years business returns if ownership => 25%.
- Signed Ytd P&L and Balance Sheet (if most recent 1040's are older than 90 days old) self-employment verified through one of the 3 following methods
- CPA letter
- Regulatory or licensing agency
- Verifying a phone and address listing by using internet or directory assistance
- Other sources of income – check guidelines

DISCLOSURES

- Initial LE dated within 3 days of Initial Loan Application
- Right to receive an appraisal
- Right to receive an appraisal (ECOA) for loans with APP date after Jan 10 2014
- Proof of how appraisal/valuations were sent to the borrower Initial signed --- Servicing Disclosure (within three business days of application date)
- Errors & Omissions disclosure
- Initial ARM disclosure (if applicable)
- HUD Charm Booklet (if applicable)

- Letter included with Charm Booklet stating when it was sent out to the borrower (if applicable)
- Initial Escrow disclosure (if applicable)
- Escrow waiver (if applicable)
- Amortization schedule
- Tax Information sheet
- Affiliated Business Disclosure & Anti-Steering Disclosure Executed 4506-t Request for Transcript
- Credit report Disclosure
- W9-Fully Executed
- Net Tangible Benefit (Rate &Term Refi's only)
- Applicable State Disclosures
- The Housing Financial Discrimination Act of 1997 Fair Lending Notice (if Applicable)

ASSET DOCUMENTATION

- All pages – 2 months most recent concurrent statements/pension statements
- Large deposits over 25% of gross monthly income must have explanation and source documentation
- Terms of withdrawal for 401k retirement accounts if being used for closing costs or reserves
- Verify reserve requirements
- If self-employed, using business funds for closing or reserves – see guidelines for requirements
- Gift letter/evidence of transfer to borrower prior to closing (gift cannot be transferred at closing table)/evidence of donors ability

PROPERTY DOCUMENTATION

- Purchase contract/addendums/evidence of receipt of escrow deposit
- Preliminary title report --- verify vesting/property type
- Tax cert
- Plat map/survey or alta---9/12 mo chain of title
- No trust and POA combination. POA must be approved by CMG
- Condo warranty
- Hazard/flood/master insurance policy must cover total replacement cost to re-build or loan amount whichever is less Appraisal reviewed by CMG – allow 72 hours for review Appraisal: min 2 comps with similar room count, GLA sq. ft, max distance 2 miles unless rural
- Second full appraisal or Field review (if applicable)

LEGAL PACKAGE

- Certified** note/original allonge/**Certified** deed of trust/addendums or riders/legal description grant deed/recorded POA
- Bailee letter/wire instructions/if TCB – full page screenshot of warehouse now page
- Initial escrow disclosures/itemization of amount financed/TIL/service provider list
- Payoff demand/seller servicing history (if applicable)/first payment Letter/ all initial and revised Closing Disclosures
- Final** Closing Disclosure/Patriot Act Form/Service Provider
- Hazard insurance policy/flood insurance policy/evidence tax bill Notice of right to cancel/name affidavit
- For Jumbo only:** Notice of Right to cancel in these states: Delaware, New Jersey, Pennsylvania, the appropriate Right to cancel form is required. H---9 for refinances with the same creditor when additional funds are advanced, or H---8 for refinances with a different creditor
- Any and all applicable state or federal final signed disclosures
- All Final Disclosures
- Executed Final 1003
- Funding wire breakdown/Funding Worksheet
- Final Settlement Statement

FLEX JUMBO 6400 SERIES

- Hazard and Flood Insurance to show CMG as Loss Payee

