

# EZ DECISIONING<sup>SM</sup> PROGRAM GUIDELINES

## Loans must receive one of the following recommendations:

- Desktop Underwriter<sup>®</sup> (DU<sup>®</sup>)
  - Approve/Eligible\*
  - Expanded Approval/Eligible\*
- Loan Prospector<sup>®</sup> (LP)
  - Accept/Eligible\*

## Loans must conform to the following 6 guideline overlays:

- Eligibility
  - CMG MI's eligibility matrix (below)
- Coverage
  - For 95.01%-97.00% LTVs, maximum 18% coverage with loan representative credit score < 720, maximum 35% coverage with loan representative credit score ≥ 720
- Borrower Contribution
  - Minimum verified 3% down payment for borrowers with loan representative credit score < 720, 0% with loan representative credit score ≥ 720 (5% for second homes)

- Credit Score
  - Loan representative credit score is valid, i.e., at least three open and active trade lines are evaluated for a minimum of 12 months
- Appraisal
  - Form 2055 Exterior Only may be obtained if permitted by DU or LP for the loan transaction
  - A 2055 may not be used if the property is currently in foreclosure or is an investor/institution/bank-owned REO; a full URAR is required.
  - Ineligible: 2070 and 2075
- CMG MI's Property Flipping Policy
  - Refer to Property Flipping Policy in CMG MI's Risk Underwriting Manual

## When underwriting loans using DU/LP, CMG MI expects that the lender will:

- Continue to employ prudent underwriting judgment, including determining if using DU or LP is appropriate for a specific loan
- Confirm that all the information provided to DU or LP is accurate

- Assess the appraisal for accuracy and determine that the value is well-supported
- Use due diligence for red flags when reviewing supporting documentation
- Meet the credit report validation requirements
- Determine if there is any derogatory or contradictory information in the loan that could not be analyzed by DU or LP and take action regarding that information
- DU loans – ensure that the loan meets all the verification messages and approval conditions detailed in the findings, that the observations have been reviewed and addressed in the loan file
- LP loans – ensure that the loan meets the credit and loan processing requirement detailed on the feedback certificate

## Eligible as indicated by DU/LP:

- Maximum DTI Ratio
- Reserves
- Pending sale requirements
- Seasoning
- Condo Project Eligibility

## Ineligible:

- Investment Property
- Construction-to-Permanent
- HARPs
- 3-4 Units

\*Loans with Approve/Ineligible findings meeting CMG MI's Conforming and Non-Conforming Program Guidelines continue to qualify for Employment, Income, and Assets documentation efficiencies. Contact your Account Executive for more information.

						GEOGRAPHIC LIMITATIONS	
						Properties located in NV, PR, and selected AZ and FL MSA/MSADs <sup>1</sup>	
OCCUPANCY	LOAN PURPOSE	PROPERTY TYPES	MAX LTV/CLTV	MAX LOAN AMOUNT	MIN CREDIT SCORE	MAX LOAN AMOUNT	MIN CREDIT SCORE
Owner-Occupied	Purchase or Rate/Term Refinance	1-Unit Single Family (detached & attached) or Condominiums <sup>4</sup>	<= 97/97 <sup>2</sup>	\$417,000 *Condos ineligible in entire state of FL	700	INELIGIBLE	
	Purchase or Rate/Term Refinance <sup>2</sup>	1-Unit Single Family (detached & attached) or Condominiums <sup>2,4</sup>	<= 95/95	\$417,000	620	\$417,000	680 1-Unit Single Family Attached and Condos ineligible in selected FL MSA/MSADs
		2-Units or Manufactured Homes Ineligible: Single-wide manufactured homes	<= 95/95	\$417,000	620	INELIGIBLE	
		Co-ops <sup>2,3</sup>	<= 95/95	\$417,000	620	\$417,000	700
	Rehabilitation Purchase or Rate/Term Refinance <sup>2</sup>	1-Unit Single Family (detached & attached)	<= 95/95	\$417,000	680	\$417,000	680
	Cash-Out Refinance <sup>2</sup>	1-Unit Single Family (detached & attached)	<= 90/90 Max \$50,000 cash back to borrower at close	\$417,000	740		
<= 85/85 Max \$75,000 cash back to borrower at close			\$417,000	700			
		Condominiums <sup>4</sup> , Co-ops, Manufactured Homes, 2-Units	INELIGIBLE				
Second Home <sup>2</sup>	Purchase or Rate/Term Refinance	1-Unit Single Family (detached & attached) Condominiums <sup>4</sup> , Co-ops, or Manufactured Homes	<= 90/90	\$417,000	680		
	Cash-Out Refinance	INELIGIBLE					

<sup>1</sup> Refer to page 7 of CMG MI's Guidelines at a Glance for a complete list of targeted MSA/MSADs

<sup>2</sup> Ineligible: Short Term ARMs less than or equal to 3 years fixed period

<sup>3</sup> Co-ops: Eligibility limited to the states of CT, NJ, NH, MA, NY

<sup>4</sup> Must be Fannie/Freddie warrantable

# EZ DECISIONING<sup>SM</sup> SUBMISSION PROCESS

EZ Decisioning submissions are nearly identical to the process you've used in the past with CMG MI. The only difference, outlined below, is to provide the EZ Decisioning loan program designation.

## DELEGATED SUBMISSION THROUGH e-cmgmi.com

- Log on to our Website, [www.e-cmgmi.com](http://www.e-cmgmi.com), with your e-cmgmi login ID and password
- The next screen will give you two options for completing the MI application: **Data Entry** and **DU Upload**.
- **DU Upload** provides an opportunity to quickly import your DU 3.0 or 3.2 files to our Website, minimizing data entry.
- The **Data Entry** option requires all information be entered. Credit Unions that do not have the Upload capability can generally complete the electronic MI application in about 5 minutes.
- In the **Mortgage Insurance Information** section:
  - Please remember to select **Loan Program Name: EZD (EZ Decisioning)**
  - Select the appropriate **DU/LP Recommendation**

Mortgage Insurance Information	
Submission Type:	Select
DU/LP Recommendation:	Select
Mortgage Insurance Type:	Borrower Paid
Loan Program:	EZD (EZ Decisioning)

- Review all information provided on the confirmation screen and submit application. Your eligible MI certificate can now be accessed in seconds!

## DELEGATED SUBMISSION THROUGH EDI

- Enter **EZD** (using all caps), in your origination system's loan program designation field. As EDI transmissions are case sensitive, it is critical that all caps are utilized in this field.

## NON-DELEGATED SUBMISSION OPTION THROUGH e-cmgmi.com

- Under this revised process, you're no longer required to fill out an MI application, simply upload the necessary documents to our Underwriting Network for underwriting:
  - Log on to [www.e-cmgmi.com](http://www.e-cmgmi.com), with your e-cmgmi login ID and password
  - From the e-cmgmi Homepage, left menu bar, select **Document Upload**. Verify that the pre-populated contact information is correct. If blank, please fill-in the missing fields. Select the radio button for **"New Loan (I DO NOT have a CMG MI Certificate No.)"**
    - Enter the Credit Union Loan No., Borrower Last and First Name
    - Complete the abbreviated Mortgage Insurance Information screen
    - Upload the required documents from your system using the Browse button
    - Please indicate in the **Message Box** this is an **EZ Decisioning Loan**
    - Our Underwriting Network will complete the MI application and review the uploaded documents

REQUIRED DOCUMENTATION:	Standard App.	EZ App.
e-cmgmi online MI Application	■	■
Loan Application (1003)	■	■
UW and Transmittal Summary (1008)	■	■
Credit Report	■	■
Appraisal Report	■	■
DU/LP Findings	■	■
Sales Contract	■	
Verification of Employment	■	
Verification of Income	■	
Verification of Assets	■	
Loan Payment History and/or Mortgage Payment History (if not in Credit Report)	■	
Installment Debt Payment History (if not in Credit Report)	■	



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