

**CMG MI**  
**Program Guideline**  
**Updates**  
***Effective January 12, 2009***

### CMG MI Conforming & Non-Conforming Program Guidelines

Guideline Topic	New Guidelines - Effective January 12, 2009	Existing Guidelines
<b>LTV/Loan Amount</b>	<ul style="list-style-type: none"> <li>• Owner-Occupied               <ul style="list-style-type: none"> <li>◦ 97% LTV to \$600,000                   <ul style="list-style-type: none"> <li>- Minimum 680 loan representative credit score</li> </ul> </li> <li>◦ 95% LTV to \$650,000</li> <li>◦ 90% LTV to \$750,000</li> <li>◦ 85% LTV to \$850,000</li> </ul> </li> <li>• Second Home               <ul style="list-style-type: none"> <li>◦ 95% LTV to \$550,000                   <ul style="list-style-type: none"> <li>- Minimum 720 loan representative credit score</li> </ul> </li> <li>◦ 90% LTV to \$600,000                   <ul style="list-style-type: none"> <li>- Minimum 680 loan representative credit score</li> </ul> </li> </ul> </li> <li>• Investment Property               <ul style="list-style-type: none"> <li>◦ 85% LTV to \$533,850                   <ul style="list-style-type: none"> <li>- Minimum 720 loan representative credit score</li> </ul> </li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Owner-Occupied               <ul style="list-style-type: none"> <li>◦ <b>100% LTV to \$550,000</b> <ul style="list-style-type: none"> <li>- <b>Minimum 680 loan representative credit score</b></li> </ul> </li> <li>◦ 97% LTV to \$600,000                   <ul style="list-style-type: none"> <li>- Minimum 680 loan representative credit score</li> </ul> </li> <li>◦ 95% LTV to \$650,000</li> <li>◦ 90% LTV to \$750,000</li> <li>◦ 85% LTV to \$850,000</li> </ul> </li> <li>• Second Home               <ul style="list-style-type: none"> <li>◦ 95% LTV to \$550,000                   <ul style="list-style-type: none"> <li>- Minimum 720 loan representative credit score</li> </ul> </li> <li>◦ 90% LTV to \$600,000                   <ul style="list-style-type: none"> <li>- Minimum 680 loan representative credit score</li> </ul> </li> </ul> </li> <li>• Investment Property               <ul style="list-style-type: none"> <li>◦ 85% LTV to \$533,850                   <ul style="list-style-type: none"> <li>- Minimum 720 loan representative credit score</li> </ul> </li> </ul> </li> </ul>
<b>Minimum Down Payment</b>	<p>Borrower must have a minimum equity or down payment from their own funds as follows:</p> <ul style="list-style-type: none"> <li>• LTV &gt; 95% - 97%               <ul style="list-style-type: none"> <li>◦ Minimum 3% own funds</li> </ul> </li> <li>• LTV ≤ 95%               <ul style="list-style-type: none"> <li>◦ Owner-Occupied                   <ul style="list-style-type: none"> <li>- Loan representative credit score ≥ 660, minimum 3% own funds</li> <li>- Loan representative credit score 620-659, minimum 5% own funds</li> </ul> </li> <li>◦ Second Homes                   <ul style="list-style-type: none"> <li>- Minimum 5% own funds</li> </ul> </li> <li>◦ Investment Properties                   <ul style="list-style-type: none"> <li>- Minimum 10% own funds</li> </ul> </li> </ul> </li> </ul>	<p>Borrower must have a minimum equity or down payment from their own funds as follows:</p> <ul style="list-style-type: none"> <li>• <b>LTV &gt; 97% - 100%</b> <ul style="list-style-type: none"> <li>◦ <b>Minimum \$500 own funds</b></li> </ul> </li> <li>• LTV &gt; 95% - 97%               <ul style="list-style-type: none"> <li>◦ Minimum 3% own funds</li> </ul> </li> <li>• LTV ≤ 95%               <ul style="list-style-type: none"> <li>◦ Owner-Occupied                   <ul style="list-style-type: none"> <li>- Loan representative credit score ≥ 660, minimum 3% own funds</li> <li>- Loan representative credit score 620-659, minimum 5% own funds</li> </ul> </li> <li>◦ Second Homes                   <ul style="list-style-type: none"> <li>- Minimum 5% own funds</li> </ul> </li> <li>◦ Investment Properties                   <ul style="list-style-type: none"> <li>- Minimum 10% own funds</li> </ul> </li> </ul> </li> </ul>

**CMG MI Distressed Markets Policy**

Guideline Topic	New Guidelines - Effective January 12, 2009	Existing Guidelines
<p>The CMG MI Distressed Markets Policy will apply based on the following two Tiers:</p>	<p><b>The CMG MI Distressed Markets Policy will apply based on the following two Tiers:</b></p> <ul style="list-style-type: none"> <li>▪ <b>To determine the maximum LTV/CLTV, identify the property's location (state, MSA/MSAD, or non-MSA area)</b> <ul style="list-style-type: none"> <li>• Tier 1 – Maximum 95% LTV/CLTV</li> <li>• Tier 2 – Maximum 90% LTV/CLTV</li> </ul> </li> <li>▪ <b>Tier 1</b> <ul style="list-style-type: none"> <li>• The subject property is located in a MSA/MSAD on the CMG MI Distressed Markets List; or</li> <li>• The declining property value box is checked on the appraisal report; or</li> <li>• A credit union lender's independent research reveals that the subject property is located in a declining market.</li> </ul> </li> <li>▪ <b>Tier 2</b> <ul style="list-style-type: none"> <li>• The subject property is located in a MSA/MSAD on the CMG MI Distressed Markets List</li> </ul> </li> </ul>	<p>The CMG MI Distressed Markets Policy will apply when one of the following indicators is present:</p> <ul style="list-style-type: none"> <li>▪ The subject property is located in a MSA/MSAD on the CMG MI Distressed Markets List; or</li> <li>▪ The declining property value box is checked on the appraisal report; or</li> <li>▪ A credit union lender's independent research reveals that the subject property is located in a declining market.</li> </ul>
<p>Once the above criteria have been considered and a valid and accurate appraised value is established, implement the LTV reduction:</p>		<ul style="list-style-type: none"> <li>▪ <b>Determine the maximum financing LTV allowed for the selected CMG MI program or product and reduce it by five percentage points (5%).</b> <ul style="list-style-type: none"> <li>• All other CMG MI guidelines based on the reduced LTV will apply.</li> </ul> </li> <li>▪ <b>The maximum LTV/CLTV cannot exceed 95%.</b></li> <li>▪ <b>If property is located in a Tier 1 or Tier 2 state, MSA/MSAD, or non-MSA area (Refer to the CMG MI Distressed Markets List), the maximum LTV/CLTV is 95% or 90%, respectively.</b></li> </ul>
<p>Restrictions - Additionally, the following restrictions will apply:</p>	<p>Second Homes</p> <ul style="list-style-type: none"> <li>• 90.0% LTV/CLTV to \$417,000</li> <li>• Minimum 720 loan representative credit score</li> <li>• Ineligible: AZ, CA, FL, &amp; NV</li> </ul> <p>2-Unit Properties</p> <ul style="list-style-type: none"> <li>• 90.0% LTV/CLTV to \$533,850</li> </ul> <p>Manufactured Homes</p> <ul style="list-style-type: none"> <li>• <b>Owner Occupied – 90.0% LTV/CLTV to \$417,000</b></li> <li>• <b>Second Home – 85.0% LTV/CLTV to \$417,000</b></li> <li>• Minimum 680 loan representative credit score</li> </ul>	<p>Second Homes</p> <ul style="list-style-type: none"> <li>• <b>Maximum \$417,000 loan amount</b></li> <li>• Minimum 720 loan representative credit score</li> <li>• Ineligible: AZ, CA, FL, &amp; NV</li> </ul> <p>2-Unit Properties</p> <ul style="list-style-type: none"> <li>• Maximum \$533,850 loan amount</li> </ul> <p>Manufactured Homes</p> <ul style="list-style-type: none"> <li>• Minimum 680 loan representative credit score</li> </ul>