

CU Home Preservation Refinance HARP Same Lender/Service Program

The CMG MI CU Home Preservation Refinance “HARP Same Lender/Service Program” is available to assist our Credit Union servicers with eligible refinances under Fannie Mae’s Home Affordable Refinance Program and Freddie Mac’s Relief Refinance Program (together referred to as “HARP”). Under this program, the submitting lender must also be the current servicer of the existing mortgage and that mortgage must be currently insured by CMG MI.

The Refinanced Loan that falls within the eligibility guidelines of the CMG MI’s HARP Same Lender/Service Program is provided mortgage insurance coverage through a modification to the certificate of insurance for the existing loan, and a new certificate number will not be issued. The premium rate on the modified certificate is not changed. Because this Program provides modification to existing insurance coverage, CMG MI’s current Program Guidelines and Distressed Markets Policy do not apply to the Refinanced Loan.

To be eligible for coverage modification, the Refinanced Loan must improve the Member’s financial position by reducing the mortgage payment, interest rate or principal balance, replacing an ARM with a fixed rate, or providing a more stable payment product to the Member.

To qualify for the HARP Same Lender/Service Program, the loan must also meet all of Fannie Mae’s or Freddie Mac’s eligibility guidelines and delivery requirements, **in addition** to the following CMG MI eligibility requirements:

CU Home Preservation Refinance HARP Same Lender/Service Program CMG MI Additional Eligibility Requirements	
Eligible Lender	The submitting lender must: <ul style="list-style-type: none"> • Have the servicing rights on the Existing Loan; and • Be the servicer on the Refinanced Loan; and • Have the ability to originate new loans; and • Have possession of the original loan file; and • Agree to the terms of CMG MI’s HARP Same Lender/Service Program.
Mortgage Insurer	The existing loan must already be insured by CMG MI and the certificate must be in-force.
Investor Owned	The existing loan must have been sold to Fannie Mae or Freddie Mac on or before May 31, 2009.
Loan Amount	The new loan amount may include the following: <ul style="list-style-type: none"> • Payoff of the existing first lien (includes the unpaid principal balance and interest accrued through the date the loan will be paid off) including reasonable and customary closing costs; • The maximum amount of closing costs that can be financed is 5% of the existing loan’s unpaid principal balance plus accrued interest; • Existing subordinate liens must be re-subordinated or paid off with the borrowers own funds; • The borrower may receive no more than \$250 cash back at closing. All other funds must be applied as a principal curtailment on the new loan.
Distressed Markets	CMG MI’s Distressed Markets Policy does not apply to this program.
Eligible Borrowers	<ul style="list-style-type: none"> • The new refinance is for the original borrowers on the existing currently insured loan; and • Borrower changes are permitted as GSE policies allow.

MI Coverage	<ul style="list-style-type: none"> MI coverage percentage will remain the same. The type of mortgage insurance on the loan cannot be changed. A borrower-paid mortgage insurance policy will remain as a borrower-paid mortgage insurance policy.
MI Premium Rate	The MI premium rate (in basis points) will remain the same for the Refinanced Loan. If the unpaid principal balance of the new loan is greater than the original loan amount, the premium amount will increase.
MI Certificate Number	The CMG MI certificate number will remain the same following coverage modification for the Refinanced Loan. A 'HARP Certificate Amendment Request Confirmation' notice will be faxed to the customer if the loan is deemed eligible under CMG MI's HARP Same Lender/Servicer Program.
Mortgage Payment History	0 x 60 in the past 12 months
Occupancy	The occupancy type must be the same as the original insured loan. If the loan was originally insured as a second home or investment property, the occupancy type can be changed to owner-occupied if the property is the borrower's primary residence.
Legal Requirements	The original representations of the Insured regarding the existing loan remain intact and in full force. The Credit Union represents and warrants that all of the information provided on the CU Home Preservation Refinance (HARP Same Lender/Servicer) Request Form is true and accurate. CMG MI continues to reserve all rights under its Master Policy, including the right to rescind coverage for reasons stated in the Master Policy or in accordance with applicable law. Credit Union and/or Servicer must provide CMG MI with the original loan file and/or refinance or modification file upon CMG MI's request.

Submission Requirements to CMG MI

- e-cmgmi.com** – Please refer to the e-cmgmi Quick Start Guide for complete instructions on how to submit a loan.
- EDI/XML:** Indicator codes have been established by MISMO for lenders using EDI/XML. Please direct your questions to Simon Attwood (simon.attwood@pmigroup.com, 925.658.6202).
- Complete the Home Preservation Refinance (HARP Same Lender/Servicer) Request Form and fax to the Underwriting Network at 888.763.2264.**

Other Conditions

The representations of the insured/servicer on the original loan do not change with a HARP refinance. As a condition precedent to CMG MI's agreement to modify the Certificate and to insure the HARP Refinanced Loan under the terms of the original Certificate as modified and to pay a claim on the HARP Refinanced Loan, CMG MI will require in the HARP Certificate Amendment Request Confirmation that the Insured agree, among other things, that all of CMG MI's rights and remedies under the Master Policy and/or endorsements and/or other agreements with respect to the original loan remain in full force and effect, and that CMG MI has the right to exercise any or all of its rights to exclude or rescind coverage on the HARP Refinanced Loan based on the facts and circumstances related to either the origination of the original loan or the HARP Refinanced Loan. The Insured must also agree to retain and provide both the original loan file and Refinanced Loan file to CMG MI upon request.

Current Certificate

To determine if the Member's loan is currently insured by CMG MI, please call our Customer Service team at 800.909.4264. Credit Unions with access to e-servicing can log in at www.e-cmgmi.com.