

CU Home Preservation Refinance HARP New Lender/Servicer Program

The CMG MI CU Home Preservation Refinance “HARP New Lender/Servicer Program” is available to assist our Credit Union servicers with eligible refinances under Fannie Mae’s Home Affordable Refinance Program – DU Refi Plus, and Freddie Mac’s Relief Refinance Open Access Program (together referred to as “HARP”). This Program allows a different lender/servicer to maintain the existing coverage on a CMG MI insured mortgage following loan refinance.

The Refinanced Loan that falls within the eligibility guidelines of CMG MI’s HARP New Lender/Servicer 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 the 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 New Lender/Servicer Program, the loan also must 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 New Lender/Servicer Program CMG MI Additional Eligibility Requirements	
Eligible Lender	The submitting lender must: <ul style="list-style-type: none"> • Be the servicer on the Refinanced Loan; and • Be able to originate new loans; and • Agree to the terms of CMG MI’s HARP New Lender/Servicer 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.
Seasoning Requirements	None
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 the CMG MI HARP New 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 Credit Union represents that all of the information provided in regard to the Home Preservation Refinance (HARP New Lender/Servicer) Request Form is true, complete, and accurate. All of CMG MI's rights and remedies under the Master Policy with respect to the Refinanced Loan and any representations made by the Insured or its agents regarding the Refinanced Loan are in full force and effect. CMG MI reserves the right to exclude or rescind coverage based on facts and circumstances related to the origination of the Refinanced Loan and for reasons stated in the Master Policy or in accordance with applicable law. Credit Union and/or Servicer must provide CMG MI the refinance or modification file and all other relevant documents upon CMG MI's request.

Submission Requirements to CMG MI

Complete the Home Preservation Refinance (HARP New Lender/Servicer) Request Form and fax to the Underwriting Network at 888.763.2264.

Other Conditions

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 requires that the Insured agree, in the HARP Certificate Amendment Request Confirmation and related documents, that, among other things, all of CMG MI's rights and remedies under the Master Policy, as endorsed, and any applicable agreements applicable to the Refinanced 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 the origination of the HARP Refinanced Loan. The Insured must also agree to retain and provide the Refinanced Loan file and related documents upon CMG MI's 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.