

CMG MI Program Guideline Updates *Effective April 2, 2010*

Reference for matrix:

New guideline changes are shown in bold red and italicized under the effective April 2, 2010 column.

Existing guidelines affected by the new guideline changes are in bold blue and italicized under the effective February 5, 2010 or January 8, 2010 column.



CMG Mortgage Insurance Company
A Joint Venture between PMI Mortgage Insurance Co. and
CUNA Mutual Insurance Society

CMG MI Conforming & Non-Conforming Program Guidelines

Guideline Topic	New Guidelines - Effective April 2, 2010	Guidelines - Effective February 5, 2010
LTV/Loan Amount	<p><u>Loan Amounts up to \$417,000</u> Owner-Occupied • 95% LTV to \$417,000 o Minimum 680 loan representative credit score Second Home • 90% LTV to \$417,000 o Minimum 700 loan representative credit score</p> <p><u>Loan Amounts > \$417,000</u> • Owner-Occupied o 90% LTV to \$625,500 ★ Minimum 700 loan representative credit score ★ CMG Single Premium Payment Plan ◆ Minimum 680 loan representative credit score o 90% LTV to \$729,750 ★ Minimum 720 loan representative credit score ★ CMG Single Premium Payment Plan ◆ Minimum 700 loan representative credit score o 85% LTV to \$729,750 ★ Minimum 700 loan representative credit score ★ CMG Single Premium Payment Plan ◆ Minimum 680 loan representative credit score • Ineligible: Second Home and Investment Property</p>	<p><u>Loan Amounts up to \$417,000</u> Owner-Occupied • 95% LTV to \$417,000 o Minimum 680 loan representative credit score Second Home • 90% LTV to \$417,000 o Minimum 720 loan representative credit score</p> <p><u>Loan Amounts > \$417,000</u> • Owner-Occupied o 90% LTV to \$625,500 ★ Minimum 720 loan representative credit score o 85% LTV to \$729,750 ★ Minimum 720 loan representative credit score o CMG Single Premium Payment Plan ★ Minimum 700 loan representative credit score • Ineligible: Second Home and Investment Property</p>
Loan Type	<p>Adjustable Rate Mortgage • Positively Amortizing Hybrid ARM (i.e. 5/1, 7/1, 10/1) • Short Term ARMs (1 to 3 years fixed period) o Purchase Only o Owner-Occupied o Ineligible: Short Term ARMs less than 1 year fixed period, Loan Amounts > \$417,000</p>	<p>Adjustable Rate Mortgage • Positively Amortizing Hybrid ARM (i.e. 5/1, 7/1, 10/1) • Short Term ARMs (1 to 3 years fixed period) o Purchase Only o Owner-Occupied ◆ Minimum 700 loan representative credit score o Ineligible: Short Term ARMs less than 1 year fixed period, Loan Amounts > \$417,000</p>
Loan Purpose	<p><u>Rate/Term Refinance</u> Ineligible: Short Term ARMs less than or equal to 3 years fixed period</p> <p><u>Cash-Out Refinance</u> - loan where the proceeds exceed the outstanding principal balance of existing lien plus reasonable and customary closing costs; pay off or subordinate a junior lien which is seasoned less than 12 months whether or not the borrower received any cash from the transaction; all debt consolidation is treated as Cash-Out Cash-Out • Owner-Occupied o Maximum 90% LTV to \$417,000 ★ Minimum 740 loan representative credit score ★ Maximum \$50,000 cash back to borrower at close ★ Ineligible: Short Term ARMs less than or equal to 3 years fixed period and Balloons o Maximum 85% LTV to \$417,000 ★ Minimum 700 loan representative credit score ★ Maximum \$75,000 cash back to borrower at close • Ineligible: Property listed for sale in the last 12 months, property purchased within the last 12 months, Second Home, Investment Property, Condominium, Co-op, Third Party Originations, Short Term ARMs less than or equal to 3 years fixed period, and Self-Employed Borrower</p>	<p><u>Rate/Term Refinance</u> Ineligible: Short Term ARMs (1 to 3 years fixed period)</p> <p><u>Cash-Out Refinance</u> - loan where the proceeds exceed the outstanding principal balance of existing lien plus reasonable and customary closing costs; pay off or subordinate a junior lien which is seasoned less than 12 months whether or not the borrower received any cash from the transaction; all debt consolidation is treated as Cash-Out • Owner-Occupied o Maximum 85% LTV to \$417,000 ★ Minimum 700 loan representative credit score ★ Maximum \$75,000 cash back to borrower at close • Ineligible: Property listed for sale in the last 12 months, property purchased within the last 12 months, Second Home, Investment Property, Condominium, Co-op, Third Party Originations, Short Term ARMs (1 to 3 years fixed period), and Self-Employed Borrower</p>
Credit History	<p>Judgments, liens, collections, voluntary or involuntary repossessions and charge-offs for federal and state tax liens must all be paid in full at the time of loan closing, especially any debt affecting title. However, collection accounts or charged-off accounts do not have to be paid off at or prior to closing if the balance of an individual account is less than \$250 or the total balance of all accounts is \$1,000 or less</p>	<p>Judgments, liens, collections, voluntary or involuntary repossessions and charge-offs must all be paid in full at the time of loan closing.</p>

CMG MI Conforming & Non-Conforming Program Guidelines

Guideline Topic	New Guidelines - Effective April 2, 2010	Guidelines - Effective February 5, 2010
Eligible Properties	<p><u>Owner-Occupied</u></p> <ul style="list-style-type: none"> • Condominiums <ul style="list-style-type: none"> o Maximum 95% LTV to \$417,000 <ul style="list-style-type: none"> ★ Minimum 680 loan representative credit score o Maximum 85% LTV to \$625,500 <ul style="list-style-type: none"> ★ Minimum 700 loan representative credit score o Must be Fannie Mae/Freddie Mac warrantable o Ineligible: Short Term ARMs less than or equal to 3 years fixed period • Co-ops subject to the CMG MI Cooperative Housing Master Policy filed with state <ul style="list-style-type: none"> o Maximum 90% LTV to \$417,000 <ul style="list-style-type: none"> ★ Minimum 680 loan representative credit score o Ineligible: Short Term ARMs less than or equal to 3 years fixed period 	<p><u>Owner-Occupied</u></p> <ul style="list-style-type: none"> • Condominiums <ul style="list-style-type: none"> o Maximum 95% LTV to \$417,000 <ul style="list-style-type: none"> ★ Minimum 680 loan representative credit score o Maximum 85% LTV to \$625,500 <ul style="list-style-type: none"> ★ Minimum 700 loan representative credit score o Must be Fannie Mae/Freddie Mac warrantable o Ineligible: Short Term ARMs (1 to 3 years fixed period) • Co-ops subject to the CMG MI Cooperative Housing Master Policy filed with state <ul style="list-style-type: none"> o Maximum 90% LTV to \$417,000 <ul style="list-style-type: none"> ★ Minimum 680 loan representative credit score o Ineligible: Short Term ARMs (1 to 3 years fixed period)

CMG MI Construction-To-Permanent Program Guidelines

Guideline Topic	New Guidelines - Effective April 2, 2010	Guidelines - Effective February 5, 2010
LTV/Loan Amount	Owner-Occupied <ul style="list-style-type: none"> • 95% LTV to \$417,000 <ul style="list-style-type: none"> o Minimum 680 loan representative credit score • 90% LTV to \$625,500 <ul style="list-style-type: none"> o Minimum 700 loan representative credit score 	Owner-Occupied <ul style="list-style-type: none"> • 95% LTV to \$417,000 <ul style="list-style-type: none"> o Minimum 680 loan representative credit score • 90% LTV to \$625,500 <ul style="list-style-type: none"> o Minimum 720 loan representative credit score
Loan Type	Adjustable Rate Mortgage <ul style="list-style-type: none"> • Positively Amortizing Hybrid ARM (i.e. 5/1, 7/1, 10/1) • Short Term ARMs (1 to 3 years fixed period) <ul style="list-style-type: none"> o Purchase Only o Owner-Occupied o Ineligible: Short Term ARMs less than 1 year fixed period, Loan Amounts > \$417,000 	Adjustable Rate Mortgage <ul style="list-style-type: none"> • Positively Amortizing Hybrid ARM (i.e. 5/1, 7/1, 10/1) • Short Term ARMs (1 to 3 years fixed period) <ul style="list-style-type: none"> o Purchase Only o Owner-Occupied <ul style="list-style-type: none"> ◆ Minimum 700 loan representative credit score o Ineligible: Short Term ARMs less than 1 year fixed period, Loan Amounts > \$417,000
Credit History	Judgments, liens, collections, voluntary or involuntary repossessions and charge-offs for federal and state tax liens must all be paid in full at the time of loan closing, especially any debt affecting title. However, collection accounts or charged-off accounts do not have to be paid off at or prior to closing if the balance of an individual account is less than \$250 or the total balance of all accounts is \$1,000 or less	Judgments, liens, collections, voluntary or involuntary repossessions and charge-offs must all be paid in full at the time of loan closing.

CMG MI Distressed Markets Policy - Tier 1

	Tier 1: New Guidelines - Effective April 2, 2010	Tier 1: Guidelines - Effective January 8, 2010
Debt Ratios	Maximum 45% ; compensating factors will not be considered	Maximum 41% ; compensating factors will not be considered
Distressed Markets List - MSA/MSAD	<p>MSA/MSAD Name Allentown-Bethlehem-Easton, PA-NJ Atlanta-Sandy Springs-Marietta, GA Atlantic City-Hammonton, NJ Baltimore-Towson, MD Bethesda-Rockville-Frederick, MD (MSAD) Bridgeport-Stamford-Norwalk, CT Camden, NJ Coeur d'Alene, ID Dover, DE Edison-New Brunswick, NJ Elkhart-Goshen, IN Eugene-Springfield, OR Grand Junction, CO Hagerstown-Martinsburg, MD-WV Hickory-Lenoir-Morganton, NC Kokomo, IN Lewiston-Auburn, ME Manchester-Nashua, NH Medford, OR Michigan City-La Porte, IN Napa, CA Nassau-Suffolk, NY (MSAD) New Haven-Milford, CT New York-White Plains-Wayne, NY-NJ (MSAD) Newark-Union, NJ-PA (MSAD) Norwich-New London, CT Oakland-Fremont-Hayward, CA Ocean City, NJ Oxnard-Thousand Oaks-Ventura, CA Peabody, MA (MSAD) Portland-Vancouver-Hillsboro, OR-WA Poughkeepsie-Newburgh-Middletown, NY Providence-New Bedford-Fall River, RI-MA Provo-Orem, UT Rockford, IL Salem, OR Salisbury, MD San Diego-Carlsbad-San Marcos, CA San Jose-Sunnyvale-Santa Clara, CA San Luis Obispo-Paso Robles, CA Santa Ana-Anaheim-Irvine, CA Santa Barbara-Santa Maria-G+B5oleta, CA South Bend-Mishawaka, IN-MI Santa Cruz-Watsonville, CA Santa Rosa-Petaluma, CA St. George, UT Trenton-Ewing, NJ Vineland-Millville-Bridgeton, NJ Virginia Beach-Norfolk-Newport News, VA-NC Washington-Arlington-Alexandria, DC-VA-MD-WV (MSAD) Wilmington, DE-MD-NJ (MSAD) Worcester, MA Yuba City, CA</p>	<p>MSA/MSAD Name Allentown-Bethlehem-Easton, PA-NJ Atlanta-Sandy Springs-Marietta, GA Atlantic City-Hammonton, NJ Baltimore-Towson, MD Bellingham, WA Bethesda-Frederick-Gaithersburg, MD (MSAD) Bremerton-Silverdale, WA Bridgeport-Stamford-Norwalk, CT Camden, NJ Coeur d'Alene, ID Danville, VA Dover, DE Duluth, MN-WI Edison-New Brunswick, NJ Elkhart-Goshen, IN Eugene-Springfield, OR Gainesville, GA Gary, IN (MSAD) Grand Junction, CO Hagerstown-Martinsburg, MD-WV Hickory-Lenoir-Morganton, NC Kingston, NY Kokomo, IN Lake County-Kenosha County, IL-WI (MSAD) Lewiston-Auburn, ME Manchester-Nashua, NH Mansfield, OH Medford, OR Michigan City-La Porte, IN Nassau-Suffolk, NY (MSAD) New Haven-Milford, CT New York-White Plains-Wayne, NY-NJ (MSAD) Newark-Union, NJ-PA (MSAD) Norwich-New London, CT Oakland-Fremont-Hayward, CA Ocean City, NJ Oxnard-Thousand Oaks-Ventura, CA Peabody, MA (MSAD) Portland-Vancouver-Beaverton, OR-WA Poughkeepsie-Newburgh-Middletown, NY Providence-New Bedford-Fall River, RI-MA Provo-Orem, UT Racine, WI Rockford, IL Salem, OR Salisbury, MD San Diego-Carlsbad-San Marcos, CA San Francisco-San Mateo-Redwood City, CA San Jose-Sunnyvale-Santa Clara, CA Santa Ana-Anaheim-Irvine, CA Santa Barbara-Santa Maria-Goleta, CA South Bend-Mishawaka, IN-MI Springfield, MA Springfield, OH St. George, UT Tacoma, WA (MSAD) Trenton-Ewing, NJ Vineland-Millville-Bridgeton, NJ Virginia Beach-Norfolk-Newport News, VA-NC Washington-Arlington-Alexandria, DC-VA-MD-WV (MSAD) Weirton-Steubenville, WV-OH Wilmington, DE-MD-NJ (MSAD) Worcester, MA Youngstown-Warren-Boardman, OH-PA</p>

CMG MI Distressed Markets Policy - Tier 2

	Tier 2: New Guidelines - Effective January 8, 2010	Tier 2: Guidelines - Effective January 8, 2010
<p>Distressed Markets List - MSA/MSAD</p>	<p><u>MSA/MSAD Name</u> Bakersfield-Delano, CA Bend, OR Boise City-Nampa, ID Chico, CA El Centro, CA Fresno, CA Hanford-Corcoran, CA Los Angeles-Long Beach-Glendale, CA Madera-Chowchilla, CA Merced, CA Modesto, CA Redding, CA Riverside-San Bernardino-Ontario, CA Sacramento--Arden-Arcade--Roseville, CA Salinas, CA Stockton, CA Vallejo-Fairfield, CA Visalia-Porterville, CA Winchester, VA-WV</p>	<p><u>MSA/MSAD Name</u> Bakersfield, CA Bend, OR Boise City-Nampa, ID Chico, CA El Centro, CA Fresno, CA Hanford-Corcoran, CA Los Angeles-Long Beach-Glendale, CA Madera, CA Merced, CA Modesto, CA Napa, CA Redding, CA Riverside-San Bernardino-Ontario, CA Sacramento--Arden-Arcade--Roseville, CA Salinas, CA San Luis Obispo-Paso Robles, CA Santa Cruz-Watsonville, CA Santa Rosa-Petaluma, CA Stockton, CA Vallejo-Fairfield, CA Visalia-Porterville, CA Winchester, VA-WV Yuba City, CA</p>