



CMG MI Offers *More than MI* for the Life Cycle of the Loan

Part I: CMG MI's Retooled Underwriting and Policy Servicing Sets the New Standard

By Scott Romesburg, Director of Underwriting, Operations and Information Technology,
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Declining home prices over the past few years and the associated foreclosure crisis have had a major impact on the mortgage lending industry. During the boom, many lenders became lax in their adherence to prudent underwriting standards, with calamitous results. Now that the nation is emerging from the recession, many of those involved in mortgage finance are asking: *What should replace "business as usual"?*

At CMG Mortgage Insurance Company (CMG MI), the response has been to initiate a progressive retooling of our underwriting services and operations with the ultimate goal of providing personalized, intensive support to customers over the life cycle of each loan that we underwrite and insure. We appreciate that Credit Unions want to keep their Members in their homes and we have committed our company to promoting sustainable homeownership over the long term.

For us, "More than MI" is not just a tagline. The changes we have made over the last year have been implemented to help Credit Unions reduce their risk exposure through solid underwriting, improve their efficiencies, avoid delinquencies and, most importantly, preserve homeownership. As Director of CMG MI's Underwriting, Operations and Information Technology, my responsibility is to make sure we fulfill that pledge to Credit Unions.

From the Point of Origination ...

CMG MI's commitment to the customer begins at loan origination. To



Scott Romesburg is currently CMG MI's Director of Underwriting, Operations and Information Technology (IT). In this position he is responsible for supervising underwriting, claims, servicing and loss mitigation, as well as developing, implementing and managing the company's business applications and e-commerce functions nationwide. A certified Project Manager Professional, Scott originally joined CMG MI in 2007 as Director of Information Technology. Previously, he worked at PMI Mortgage Insurance Co., where he held successive roles in that company's IT Department.

provide a high-touch level of service, CMG MI's existing field underwriting services and support have been consolidated into a nationwide Underwriting Network, with Marty Selgrath providing experienced leadership for underwriting on non-delegated loans and specific scenario-based phone conferences. The Underwriting Network can be reached at (888) 746-6264 and each underwriter's hours and contact information are posted online at www.cmgmi.com/uwteam to maximize individual continuity and familiarity.

Delegated customers may work with our Home Office Underwriting Supervisor, Sandy Wong, and her MI Operations Support Group, available at (800) 909-4264.

Our Underwriting team is tasked with facilitating Credit Union requests for MI coverage:

- Credit Unions trying to originate home loans can expect a friendly and proactive response when they call our Underwriting Network or MI Operations Support Group. CMG MI recognizes that many of our customers want a helping hand when it comes to more complicated underwriting issues. Our Underwriting professionals are prepped to work intensively with the Credit Union staff who call them with various underwriting questions.
- For a loan that might otherwise be declined, our underwriters will make every effort to find options that can help qualify it for coverage, while still complying with the terms of CMG MI's Master Policy and applicable underwriting guidelines. For some simple tips on facilitating the underwriting experience on your own end, see our MI Origination Flyer.
- Moreover, when guideline changes are announced, our Underwriting team is instructed to allow eligible loans to be approved for coverage in advance of the actual guideline effective date. It's another example of CMG MI's collaborative approach to customer service.

... To Guideline Changes and MI Products ...

In regard to guidelines, my Underwriting staff in Home Office actively monitors market conditions across the nation and uses that information to make recommendations to executive management on appropriate changes to CMG MI's guidelines and Distressed Markets. I'm pleased to say that as the economy improves, more and more markets are being removed from the Distressed Markets List and CMG MI is relaxing its Distressed Markets Policies.

At the same time, we have been expanding our Conforming & Non-Conforming Guidelines to offer Credit Unions more competitive MI support for a wide range of loan programs that we consider suitable in this market environment. Most recently, we have revamped our Single Premium product to allow a seller concession up to 6%, and provided enhanced coverage opportunities for Rehab Loans, Manufactured Housing and Cash-Out Refinances. We will shortly be announcing our CU 3/2 Advantage, whose flexible guidelines allow for third-party down-payment assistance – ideal for qualifying low- and moderate-income Members, first-time homebuyers, and borrowers with limited funds.

Again, CMG MI's goal is always sustainable homeownership. We do not want to possibly set up your Members for future problems by supporting those loan programs that have demonstrated high rates of failure.

Most recently, CMG MI has introduced Web videos covering our guideline changes, in order to provide friendly explanations and reduce confusion. In each video, Underwriting Supervisor Sandy Wong and her staff carefully explain the changes and demonstrate where to find the relevant Underwriting reference documents on our Website. You can always see the latest video at www.cmgmi.com/guidelines.

...Through Policy Servicing and Billing ...

The next stage in the loan's life-cycle is handled by our Policy Servicing and Billing departments. As Director, I have made it a priority to ensure that these CMG MI functions are characterized by efficiency, convenience, ease of use and the very latest technology. I have also worked to establish very clearly our service level agreements, so that our Policy Servicing and Customer Service teams' responsiveness to customer needs can be measured and monitored by management.

CMG MI encourages all Credit Union customers to sign up for electronic Servicing support – including e-billing – through our automated system, e-cmgmi, which enables us to identify potential problems that will interrupt coverage and send out e-mail notifications of impending certificate and commitment expirations.

Our customer service team also works with customers to avoid any lapses of MI coverage. CMG MI encourages all Credit Union customers to sign up for electronic Servicing support – including e-billing – through our automated system, e-cmgmi, which enables us to identify potential problems that will interrupt coverage and send out e-mail notifications of impending certificate and commitment expirations.

CMG Mortgage Insurance Company (CMG MI) supports sustainable homeownership with products and services that can help Credit Unions keep Members in their homes. What are the challenges you face in offering mortgage lending that works for your Member as well as your Credit Union – and how can we help? Let us know what you think and what we can do for you by contacting your CMG MI Account Executive or sending an e-mail to CMGMortgage.InsuranceCo@cmgmi.com.

For detailed information on our policy concerning reinstatements, you should read our Policy Servicing flyer.

Many Credit Unions prefer to be self-sufficient in servicing their loans. Once they are signed up, e-cmgmi Servicing enables them to perform a wide range of servicing functions on their own initiative.

However, CMG MI appreciates that many Credit Unions desire a more personalized approach to their billing, servicing and customer support questions. Our Customer Service Supervisor, James Cox, and his staff are available to assist you at (800) 909-4264.

CMG MI will continue to enhance the quality of our Policy Servicing and Billing support. In the next few months, we will introduce videos, similar to those produced by our Underwriting department, that will teach Credit Unions how to successfully service their loans in an easy, step-by-step format. Look for these videos appearing on our Website during the summer of 2010.

CMG MI has embraced its role as a provider of "More than MI." For the Underwriting, Policy Servicing and Customer Service departments under my supervision, the goal is to make sure that Credit Unions have all the information and tools they need to make the right decision on a mortgage loan and help their Member to achieve sustainable homeownership.

In Part II of this series, the next Signals issue (Summer 2010) will focus on CMG MI's "More than MI" support for Loss Mitigation and Claims, which can be a particularly challenging stage in an insured loan's life-cycle. Don't miss it!



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