

CMG MI

Program Guideline

Updates

Effective July 6, 2010

Reference for matrix:

New guideline changes are shown in bold red and italicized under the effective July 6, 2010 column.

Existing guidelines affected by the new guideline changes are in bold blue and italicized under the effective June 7, 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 July 6, 2010 | Guidelines - Effective June 7, 2010 |
|------------------------|--|--|
| Loan Purpose | <p>Cash-Out Refinance – 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</p> <ul style="list-style-type: none"> • Owner-Occupied <ul style="list-style-type: none"> o Maximum 90% LTV to \$417,000 <ul style="list-style-type: none"> ★ 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 o Maximum 85% LTV to \$417,000 <ul style="list-style-type: none"> ★ 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, and Short Term ARMs less than or equal to 3 years fixed period, and Self-Employed Borrower | <p>Cash-Out Refinance – 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</p> <ul style="list-style-type: none"> • Owner-Occupied <ul style="list-style-type: none"> o Maximum 90% LTV to \$417,000 <ul style="list-style-type: none"> ★ 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 <i>and Balloons</i> o Maximum 85% LTV to \$417,000 <ul style="list-style-type: none"> ★ 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, and Short Term ARMs less than or equal to 3 years fixed period, and Self-Employed Borrower |

CMG MI Distressed Markets Policy

| | New Distressed Markets List - Effective July 6, 2010 | Distressed Markets List - Effective June 7, 2010 |
|----------------------|---|---|
| State | Nevada Puerto Rico | <i>Arizona</i> <i>Florida</i> <i>Michigan</i> Nevada Puerto Rico |
| MSA/MSAD Name | Bakersfield-Delano, CA Bend, OR Boise City-Nampa, ID <i>Cape Coral-Fort Myers, FL</i> Chico, CA <i>Crestview-Fort Walton Beach-Destin, FL</i> <i>Deltona-Daytona Beach-Ormond Beach, FL</i> <i>Detroit-Livonia-Dearborn, MI (MSAD)</i> El Centro, CA <i>Flagstaff, AZ</i> <i>Flint, MI</i> <i>Fort Lauderdale-Pompano Beach-Deerfield Beach, FL (MSAD)</i> Fresno, CA Hanford-Corcoran, CA <i>Jackson, MI</i> <i>Jacksonville, FL</i> <i>Lake Havasu City-Kingman, AZ</i> <i>Lakeland-Winter Haven, FL</i> <i>Miami-Miami Beach-Kendall, FL (MSAD)</i> <i>Monroe, MI</i> <i>Muskegon-Norton Shores, MI</i> <i>Naples-Marco Island, FL</i> <i>North Port-Bradenton-Sarasota, FL</i> <i>Ocala, FL</i> <i>Orlando-Kissimmee-Sanford, FL</i> <i>Palm Bay-Melbourne-Titusville, FL</i> <i>Palm Coast, FL</i> <i>Panama City-Lynn Haven-Panama City Beach, FL</i> <i>Port St. Lucie, FL</i> <i>Prescott, AZ</i> <i>Punta Gorda, FL</i> Redding, CA <i>Saginaw-Saginaw Township North, MI</i> <i>Sebastian-Vero Beach, FL</i> <i>South Bend-Mishawaka, IN-MI *</i> <i>Tampa-St. Petersburg-Clearwater, FL</i> <i>Tucson, AZ</i> Visalia-Porterville, CA <i>Warren-Troy-Farmington Hills, MI (MSAD)</i> <i>West Palm Beach-Boca Raton-Boynton Beach, FL (MSAD)</i> <i>*Properties located in the state of IN are eligible under CMG MI's Conforming & Non-Conforming Program guidelines</i> | Bakersfield-Delano, CA Bend, OR Boise City-Nampa, ID Chico, CA El Centro, CA Fresno, CA Hanford-Corcoran, CA <i>Los Angeles-Long Beach-Glendale, CA</i> <i>Madera-Chowchilla, CA</i> <i>Merced, CA</i> <i>Modesto, CA</i> Redding, CA <i>Riverside-San Bernardino-Ontario, CA</i> <i>Sacramento--Arden-Arcade--Roseville, CA</i> <i>Salinas, CA</i> <i>Stockton, CA</i> <i>Vallejo-Fairfield, CA</i> Visalia-Porterville, CA <i>Winchester, VA-WV</i> In addition, the following Metropolitan Areas have been removed from Distressed Markets: <i>Bishop, CA</i> <i>Clearlake, CA</i> <i>Crescent City, CA</i> <i>Eureka-Arcata-Fortuna, CA</i> <i>Phoenix Lake-Cedar Ridge, CA</i> <i>Red Bluff, CA</i> <i>Susanville, CA</i> <i>Truckee-Grass Valley, CA</i> <i>Ukiah, CA</i> |