



TO: CORRESPONDENT LENDERS

FROM: ANGELA BREIDENBACH, OPERATIONS MANAGER

DATE: NOVEMBER 3, 2010

RE: **MAXIMUM LTV FOR NON ESCROWED LOANS - NEW MEXICO ONLY**
MINIMUM LOAN AMOUNT

MAXIMUM LTV FOR NON ESCROWED LOANS – NEW MEXICO ONLY

If you currently originate loans in New Mexico, you are no doubt aware of the recent legislation that does not allow non escrowed loans with a LTV of 80% or above. Prior to this legislation, a borrower was allowed to pay their own escrows on any loan with a LTV at 80% or below.

What does this mean? All non-escrowed New Mexico loans, sold to Cornerstone, must round to 79.99 (2 decimal places). For example: Sales Price/Appraised Value of \$100,000 = Maximum loan amount of \$79,990.

Again, this ONLY applies to non-escrowed loans in the state of New Mexico.

MINIMUM LOAN AMOUNT

The minimum loan amount that Cornerstone will accept for lock or purchase is \$50,000. This has been added to the Product Guidelines and Cornerstone Overlays section of the Correspondent web-site: www.chlcorrespondent.com.

This policy applies to the loan amount, not the purchase balance on amortized loans.

Please let me or Joanne Posen know if you have questions regarding these, or any other issues. We can be reached as follows: abreidenbach@houseloan.com – (505)814-7784, or jposen@houseloan.com – (505) 814-7788. As always, your business is greatly appreciated!