



**TO:** Correspondent Lenders  
**FROM:** Angela Breidenbach, Operations Manager  
**DATE:** August 3, 2012  
**RE:** JUMBO PRODUCT ROLL OUT  
FHA NON CREDIT QUALIFYING STREAMLINE REFINANCES  
AUS SWITCHING

### **JUMBO PRODUCT ROLL OUT**

Cornerstone is excited to announce the roll out of a Jumbo product. Please see attached product guidelines. These will also be available in the Product Guidelines and Overlays section of the correspondent web-site:

[www.chlcorrespondent.com](http://www.chlcorrespondent.com).

The guidelines are very straightforward, but there will initially be two webinars offered to discuss how to submit these loans to us for underwriting, and what to expect for turn times, etc.

- Monday, August 6<sup>th</sup> from 2:00pm to 3:00pm Mountain Daylight Time.
- Tuesday, August 7<sup>th</sup> from 9:00am to 10:00am Mountain Daylight Time

If you did not receive an e-mail invitation to either one of these webinars, please send an e-mail to [abreidenbach@houseloan.com](mailto:abreidenbach@houseloan.com).

**This is a non-delegated product. Cornerstone MUST underwrite all Jumbo loans; regardless of delegated status of the correspondent lender.** We will cover this in more detail during the webinar.

Pricing will be available beginning Monday, August 6<sup>th</sup>.

### **FHA NON CREDIT QUALIFYING STREAMLINE REFINANCES**

Effective with loan applications taken on or after August 6<sup>th</sup>, 2012, all FHA non-credit qualifying streamline refinances MUST have an appraisal. Please note, this only applies to FHA non-credit qualifying streamline refinances. FHA credit qualifying streamline refinances do not need an appraisal.

An updated FHA Refinance Matrix is attached, and may also be found in the Product Guidelines and Overlays section of the correspondent web-site: [www.chlcorrespondent.com](http://www.chlcorrespondent.com).

### **AUS SWITCHING**

Although Cornerstone prefers that correspondents use Fannie Mae (DU) guidelines in evaluating their loans, use of either LP or DU is permissible. **However, running both simultaneously, in order to obtain a more favorable result, is strongly discouraged. Similarly, switching AUS from DU to LP, or vice versa, is strongly cautioned.** In the event of an agency audit, this practice could potentially be identified as a risk factor, resulting in exceptions up to and including repurchase.

Please contact us if you have questions regarding these, or any other issues. We can be reached as follows: [abreidenbach@houseloan.com](mailto:abreidenbach@houseloan.com) or (505)814-7784, [jposen@houseloan.com](mailto:jposen@houseloan.com) or (505)814-7788, [ncorlett@houseloan.com](mailto:ncorlett@houseloan.com) or (214)780-0770.