

Exclusively for loans originated for and sold to MGIC-approved state and local HFAs

Primary Residence – Nonrestricted Market Program Parameters
 MGIC Program #2881 (State HFAs) and #3881 (Local HFAs)

NOVEMBER 2011

	Loan Purpose	Units	Max. LTV	Max. CLTV	Loan Amount	Min. Credit Score
LTV/Loan Amount	Purchase	1	97%	103%	\$417,000	680
		1	95%	103%	\$417,000	660

Documentation Type	Full Documentation					
Loan Purpose	Purchase Ineligible: Cash-Out Refinance; Rate/Term Refinance					
Occupancy	Primary Residence					
Loan Type	Fixed-Rate Temporary Buydown Ineligible: Interest-Only, GPM, Scheduled Neg-Am, Potential Neg-Am, Balloon, Fully Amortizing ARM					
Credit	For Min. Credit Score use Loan Indicator Score Traditional Credit uses the lowest Indicator Score for all borrowers. Note: A borrower's Indicator Score is the lower of 2 or middle of 3 valid credit scores. A valid credit score requires 3 tradelines that are evaluated for a minimum of 12 months. Nontraditional Credit – Maximum 90% LTV/CLTV. All loans must be manually underwritten by MGIC. Loans with both traditional and nontraditional credit borrowers must be manually underwritten by MGIC. See Underwriting Guide Section 4.06c for requirements.					
Property Type	Detached/Attached Condominiums – Maximum 95% LTV/103% CLTV Cooperatives – Maximum 90% LTV/103% CLTV Ineligible: Manufactured Housing, Nonwarrantable Condominiums					
Subordinate Financing	Must meet Fannie Mae's Community Seconds or Freddie Mac's Affordable Seconds guidelines. See LTV/Loan Amount section above for maximum CLTV requirements.					
Minimum Borrower Contribution	Lesser of \$1,000 or 1% (Gifts/grants can apply toward the \$1,000 or 1% subject to MGIC's requirements. See Underwriting Guide Section 4.08.)					
Reserves	2 months' PITI					
Seller/Builder Contribution	Maximum LTV	97%	Maximum Contribution	3%		
	Maximum LTV	90%	Maximum Contribution	6%		
DTI Ratio	45% Total DTI for credit score \geq 740 41% Total DTI					

Program Guidelines

- Loan must meet all other standard MGIC guidelines. For guidelines not addressed above, please refer to MGIC's Underwriting Guide.
- HFA loans that receive an LP A-Minus/Eligible or Caution/Eligible or a DU EA/Eligible recommendation are insurable if they meet Affordability+ program parameters.
- HFA loans secured by properties located in Restricted Markets are subject to MGIC's Restricted Market guidelines. See www.mgic.com/restrictedmarkets for more information and for a Market Search look-up tool to determine whether MGIC Restricted Market guidelines apply.
- The HFA may have additional criteria for eligibility. Lenders are responsible for assuring each loan complies with both HFA program requirements and MGIC requirements.
- See complete guidelines at www.mgic.com/uwguide for additional criteria that may apply.

Standard Underwriting Guidelines Summary



For HFA loans that do not meet **affordability+** Parameters

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	Loan Purpose	Units	Max. LTV/CLTV	Max. Loan Amount	Min. Credit Score
LTV/Loan Amount	Purchase	1	97%	\$417,000	700
	Purchase or Rate/Term Refinance ¹	1	95%	\$417,000	660
		2	95%	\$533,850	680
		1	95%	\$625,500 ²	700
Documentation Type	Full Documentation				
Loan Purpose	See LTV/Loan Amount section above.				
	Construction-Permanent Loans – Maximum 95% LTV/CLTV (See page 4 for details)				
	Ineligible: Cash-Out Refinance (See Section 3.07d for refinances paying off non-purchase money junior liens.)				
Occupancy	Primary Residence				
Loan Type	Fixed-Rate				
	Fully Amortizing ARM – ARMs with an initial term < 5 years and 5-year ARMs with an initial cap > 5% – Maximum 95% LTV/CLTV.				
	Balloon with an initial term of 5 years or more – Maximum 95% LTV/CLTV				
	Temporary Buydown – Maximum 95% LTV/CLTV				
	Ineligible: Interest-Only; GPM; Scheduled Neg-Am; Potential Neg-Am, including Pay-Option ARMs				
Credit	For Min. Credit Score use Loan Indicator Score				
	Traditional Credit uses the lowest Indicator Score for all borrowers. Note: A borrower's Indicator Score is the lower of 2 or middle of 3 valid credit scores. A valid credit score requires 3 tradelines that are evaluated for a minimum of 12 months.				
	Nontraditional Credit – Maximum 90% LTV/CLTV. All loans must be manually underwritten by MGIC.				
	Loans with both traditional and nontraditional credit borrowers must be manually underwritten by MGIC. See Underwriting Guide Section 4.06c for requirements.				
Property Type	Detached/Attached				
	Condominiums – Maximum 95% LTV/CLTV				
	Cooperatives – Maximum 90% LTV/CLTV				
	Ineligible: Nonwarrantable condominiums; manufactured homes				
Subordinate Financing	See LTV/Loan Amount section above for maximum CLTV (HCLTV) requirements.				
Minimum Borrower Contribution	3% borrower's own funds (Gifts/grants can apply toward the 3%, subject to MGIC's requirements. See Underwriting Guide Section 4.08.)				
Reserves	2 months' PITI (Purchases where existing home is not sold, see Underwriting Guide Section 4.05c)				
Seller/Builder Contribution	Maximum LTV/CLTV	97%	Maximum Contribution	3%	
	Maximum LTV/CLTV	90%	Maximum Contribution	6%	
DTI Ratio	45% Total DTI with credit score \geq 740 (fixed-rate/payment \geq 5 years only)				
	41% Total DTI				
Program Guidelines	<p>See complete guidelines at www.mgic.com/uwguide for additional criteria that may apply.</p> <p>¹ Rate/Term Refinance – See Section 3.07c for payoff of second lien requirements.</p> <p>² See Loan Amount > \$625,500 Parameters.</p> <ul style="list-style-type: none"> • Loan must meet all other standard MGIC guidelines. • HFA loans secured by properties located in Restricted Markets are subject to MGIC's Restricted Market guidelines. See www.mgic.com/restrictedmarkets for more information and for a Market Search look-up tool to determine whether MGIC Restricted Market guidelines apply. 				