

## Guam Rate Card - December 2010

LEVEL ANNUALS			FIXED LEVEL PAYMENTS FOR THE FIRST 5 YEARS		NONFIXED ANNUAL CAPS ≤ 1%		NONFIXED ANNUAL CAPS > 1%	
			30-Year		30-Year		30-Year	
Base LTV (%)	MGIC Coverage (%)	Reduces Exposure To (%)	1st Year & Renewals		1st Year & Renewals		1st Year & Renewals	
			Refundable		Refundable		Refundable	
95 -90.01	35	62	1.03%		1.35%		1.48	
	30	67	.88		1.12		1.24	
	22	75	.74		.94		1.03	
	16	80	.56		.69		.76	
90 -85.01	30	63	.73		.91		.95	
	25	68	.62		.74		.79	
	17	75	.45		.53		.58	
	12	80	.39		.43		.45	
85 & Under	20	68	.45		.53		.58	
	17	71	.44		.45		.51	
	12	75	.38		.39		.44	
	6	80	.26		.29		.30	

### Premium Adjustments for Monthly Premiums & ZOMP!

Rate/Term Refinance	- .05%
Nonrefundable Monthly	+ .03%
Refundable Monthly	+ .04%

### LOAN PROGRAM CATEGORIES

**FIXED WITH LEVEL PAYMENTS FOR THE FIRST 5 YEARS** – This category applies to loans with level or declining payments for the first five years. It does not include loans with buydowns or rate concessions.

**NONFIXED WITH ANNUAL CAPS ≤ 1%** – This category applies to loans with an annual effective interest rate cap of 1% or less during the first five years. Eligible examples include:

- fixed-rate loans with 1% annual temporary buydowns;
- 6- and 12-month ARMs with annual effective rate caps of 1% or less; and
- 3/3 and 3/1 ARMs with initial interest rate adjustments of 3% or less.

**NOTE:** GPM loans cannot have annual payment increases of more than 7.5%.

**NONFIXED WITH ANNUAL CAPS > 1%** – This category applies to loans with actual or potential payment changes greater than 1% during the first five years.

**For all Loan Program Categories** – Loans featuring potential negative amortization are not eligible for MGIC mortgage insurance.

### RATE SELECTION

**30-Year** 30-Year rates apply to loans with an amortization period greater than 25 years up to a maximum of 40 years.

**LTV** LTV category is selected based on first lien only.

### RATE PRODUCT NOTES

**Level Annuals'** initial and renewal premiums are the same. The first year's premium is due at closing; subsequent annual premiums are due on the anniversary of the closing. All refunds are prorated.

**Constant Renewals** are applied to the original insured loan balance. The rate for years 2-10 is the same as the first-year rate. For years 11-term, the renewal rate is reduced to .20% or remains the same if less than .20%. Premium adjustments do not apply beginning year 11.

**Declining Renewals** are applied to the outstanding insured loan balance. The rate for years 2-term is the same as the first-year rate. For Monthly Premiums/ZOMPI, the loan balance is adjusted at each anniversary of the certificate.

## Primary Residence – Guam Parameters

Loan must meet all other standard MGIC guidelines; see [www.mgic.com/uwguide](http://www.mgic.com/uwguide) for additional criteria

	Loan Purpose	Units	Maximum LTV/CLTV	Maximum Loan Amount	Minimum Credit Score
LTV/Loan Amount	Purchase, rate/term refinance <sup>1</sup> , construction-permanent <sup>2</sup>	1	95%	\$417,000	680
Documentation	DU Approve/Eligible or LP Accept/Eligible response: Use income and asset verification requirements specified on the findings/feedback report All other loans: Full documentation				
Loan Purpose	See LTV/Loan Amount section above Ineligible: Cash-out refinance				
Loan Type	Fixed-rate Fully amortizing ARMs Temporary buydown Ineligible: Balloon, Interest-only, GPM, scheduled neg-am, potential neg-am				
Credit	Qualifying with Traditional Credit or DU Approve/Eligible or LP Accept/Eligible response: Use the lowest of all Borrower Indicator Scores — the lower of 2 or middle of 3 credit scores to meet MGIC's minimum credit score requirement Qualifying with both Traditional Credit and Nontraditional Credit and without a DU Approve/Eligible or LP Accept/Eligible response: See UWG 4.06c Qualifying with Nontraditional Credit: Requires an MGIC manual underwrite; maximum 90% LTV/CLTV; see UWG 4.06b and 4.06i				
Property Type	Detached, attached, condominiums Ineligible: Cooperatives, Nonwarrantable condominiums, manufactured homes				
Subordinate Financing	See LTV/Loan Amount section above for maximum CLTV (HCLTV)				
Borrower Contribution	Minimum 3% borrower's own funds Gifts/grants can apply toward the 3%, subject to MGIC's requirements, UWG 4.08				
Reserves	DU Approve/Eligible or LP Accept/Eligible response: Use reserves indicated on the findings/feedback report All other loans: 2 months' PITI For purchases where an existing home is not sold, see UWG 4.05c				
Seller/Builder Contribution	Maximum contribution: 95% LTV/CLTV, 3%; 90% LTV/CLTV, 6%				
DTI Ratio	41% Total DTI, nonfixed-rate/payment < 5 years 45% Total DTI, fixed-rate/payment ≥ 5 years				
Program Guidelines	<sup>1</sup> Rate/term refinance payoff of second lien requirements, UWG 3.07c <sup>2</sup> Construction-permanent loan documentation requirements, UWG 3.07b				

See MGIC's Underwriting Guide (UWG) at [www.mgic.com/uwguide](http://www.mgic.com/uwguide)

### Mortgage Guaranty Insurance Corporation

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