

Today's real estate market conditions generally have a greater effect on condominiums than other residential real estate segments. For this reason, MGIC is expanding its requirements for insurable condominium units. The following information outlines our updated condominium guidelines.

Eligible condominium project requirements:

- Construction of the subject project or phase must be more than 90% complete.
- At least 51% of the units in the project or phase must be sold to owner-occupants for use as primary residences or second homes.
- All facilities related to the subject project must be owned by the homeowners association or unit owners.
- No single entity owning more than one unit owns more than 10% of the units in the entire project.
- No more than 20% of the total building square footage can be used for nonresidential purposes.
- If the project is a conversion, all renovation work must be completed to all units and common elements.

Ineligible condominium projects:

- Condo-hotels
- Student Condos (Kiddie Condos)
- Shared-Ownership Condos (e.g., Timeshare)
- Manufactured housing units condos
- Projects with outstanding legal or environmental issues
- Ineligible or nonwarrantable projects, as defined by Fannie Mae or Freddie Mac
- Projects where more than 30% of the units are owned by investors other than the original developer/investor
- Projects identified on MGIC's Ineligible Project list, available at www.mgic.com/guides/specialmarketguides.html

Maximum Exposure

- MGIC may insure up to 33% of the total sold units in projects with more than 10 units. Additional units will be considered on a case-by-case basis.