

# Community Lending – Primary Residence

See [mgic.com/uwguide](https://mgic.com/uwguide) for additional criteria.

For properties in Guam and Puerto Rico, see their respective underwriting summaries at [mgic.com/guides](https://mgic.com/guides).

## Enter MGIC Program 4881 for community lending programs

Our Community Lending program is exclusively for loans originated and closed as part of a community lending first-mortgage program – one that employs income limits, geographic targeting (regardless of income) or both in order to concentrate lending activity on under-served borrowers and communities.

Loan Purpose	Property Type	Max. LTV/CLTV	Max. Loan Amount	Min. Credit Score	Max. Total DTI <sup>3</sup>	Min. Reserves (No. months' PITI)
Purchase, Rate/Term Refinance, Construction-Permanent <sup>4</sup> , Home Improvement/Renovation	1-Unit Detached, Attached, Condominium, Co-Op	97%/105%	FHFA high-cost max <sup>1</sup>	660	45%	2
	2-Unit	95%/105%	FHFA high-cost max <sup>1</sup>	680	45%	2
Purchase, Rate/Term Refinance, Home Improvement/Renovation	3-4 Unit	90%/90%	FHFA baseline conforming limit <sup>2</sup>	720	45%	6
Purchase, Rate/Term Refinance, Construction-Permanent	Manufactured Home	95%/95%	FHFA baseline conforming limit <sup>2</sup>	660	45%	2
Underwriting Options	<ul style="list-style-type: none"> <li>– Delegated (UWG <a href="#">1.08</a>) <ul style="list-style-type: none"> <li>– ≤ 97% LTV/CLTV</li> <li>– ≤ \$1,209,750</li> </ul> </li> <li>– Non-delegated (UWG <a href="#">1.09</a>) <ul style="list-style-type: none"> <li>– ≤ 97% LTV</li> <li>– &gt; 97% CLTV</li> <li>– &gt; \$1,209,750</li> </ul> </li> </ul>					
Loan Type	<ul style="list-style-type: none"> <li>– Fixed-rate</li> <li>– Fully amortizing ARM with an initial <b>fixed period</b> of 5 years or more</li> <li>– 5 years qualify at greater of note rate + 2% or FIAR; &gt; 5 years qualify at note rate</li> </ul>					
Manufactured Homes	<ul style="list-style-type: none"> <li>– Fannie Mae MH Advantage/Freddie Mac CHOICEHome mortgages must be identified to MGIC as manufactured homes</li> <li>– <b>Ineligible:</b> Single-wide, condo, co-op, leasehold (UWG <a href="#">3.13.08</a>)</li> </ul>					
Down Payment Assistance/ Subordinate Financing	<ul style="list-style-type: none"> <li>– Down payment assistance (e.g., loans, grants, etc.) may be used for down payment, closing costs and reserves after the minimum borrower contribution has been met. (See UWG <a href="#">3.10.01</a>)</li> <li>– Must meet Fannie Mae's Community Seconds or Freddie Mac's Affordable Seconds guidelines</li> <li>– If monthly payment is required (including deferred), include secondary financing in CLTV and monthly payment in proposed housing payment</li> <li>– <b>Ineligible:</b> Funds provided by an interested party</li> </ul>					
Nontraditional Credit	<p>When no borrower has a valid credit score:</p> <ul style="list-style-type: none"> <li>– Follow our nontraditional credit guidelines (UWG <a href="#">3.11.04</a>)</li> <li>– Maximum 90% LTV</li> <li>– Requires non-delegated underwriting (UWG <a href="#">1.09</a>)</li> </ul>					
Borrower's Own Funds	<p>Minimum borrower's own funds toward the down payment, closing costs, prepaids and reserves:</p> <ul style="list-style-type: none"> <li>– 1-Unit – 1% <ul style="list-style-type: none"> <li>– Gifts of cash can apply toward the 1% when specific requirements are met (see UWG <a href="#">3.10.04b</a>)</li> </ul> </li> <li>– 2-Unit – 3%</li> <li>– 3-4 Unit – 5%</li> </ul>					
Interested Party Contributions	<p>Maximum contribution</p> <ul style="list-style-type: none"> <li>– &gt; 90% LTV/CLTV – 3%</li> <li>– ≤ 90% LTV/CLTV – 6%</li> </ul>					
Appraisal Requirements	<ul style="list-style-type: none"> <li>– Loan amount ≤ \$1,209,750: A Uniform Residential Appraisal Report (URAR)</li> <li>– Loan amount &gt; \$1,209,750: 2 independent URARs or 1 independent URAR plus an appraiser-provided field review supporting its value</li> </ul>					
Other Program Requirements	Collections ( <b>medical exempt</b> ) and non-mortgage charge-offs may remain unpaid at closing up to \$250 per account and \$1,000 aggregate					

### Notes

<sup>1</sup>Maximum must not exceed the [FHFA published conforming loan limit](#) for the specific county of the subject property.

<sup>2</sup>Up to FHFA published baseline limit, including AK and HI, regardless of FHFA county loan limit for the subject property.

<sup>3</sup>When qualifying your borrower for MGIC mortgage insurance, note that we do not require you to include the mortgage insurance premium in the DTI calculation.

<sup>4</sup>**Ineligible** for construction-permanent: Attached, condominium, co-op

We reserve the right to decline an application for excessive borrower exposure or history of claim or rescission.