

Community Lending – Primary Residence

See mgic.com/uwguide for additional criteria.

For properties in Guam and Puerto Rico, see their respective underwriting summaries at mgic.com/guides.

EFFECTIVE
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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 ³	Min. Reserves (No. months' PIT)
Purchase, Rate/Term Refinance, Construction-Permanent ⁴ , Home Improvement/Renovation	1-Unit Detached, Attached, Condominium, Co-Op	97%/105%	FHFA high-cost max ¹	660	45%	2
	2-Unit	95%/105%	FHFA high-cost max ¹	680	45%	2
Purchase, Rate/Term Refinance, Home Improvement/Renovation	3-4 Unit	90%/90%	FHFA baseline conforming limit ²	720	45%	6
Purchase, Rate/Term Refinance, Construction-Permanent	Manufactured Home	95%/95%	FHFA baseline conforming limit ²	660	45%	2

¹Maximum must not exceed the FHFA published conforming loan limit for the specific county of the subject property.

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

Underwriting Options	<ul style="list-style-type: none"> – ≤ 97% LTV/CLTV – Delegated (UWG 1.07) or non-delegated (UWG 1.08) – > 97% CLTV – Non-delegated (UWG 1.08)
Loan Type	<ul style="list-style-type: none"> – Fixed-rate – Fully amortizing ARM with an initial term of 5 years or more – 5 years qualify at greater of note rate + 2% or FIAR; > 5 years qualify at note rate
Loan Purpose	Construction-permanent – Ineligible: Attached, condominium, co-op
Manufactured Homes	<ul style="list-style-type: none"> – Fannie Mae MH Advantage/Freddie Mac CHOICEHome mortgages must be identified to MGIC as manufactured homes – Ineligible: Single-wide, condo, co-op, leasehold (UWG 3.13.08)
Down Payment Assistance/ Subordinate Financing	<ul style="list-style-type: none"> – 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 3.10.01) – Must meet Fannie Mae's Community Seconds or Freddie Mac's Affordable Seconds guidelines – If monthly payment is required (including deferred), include secondary financing in CLTV and monthly payment in proposed housing payment – Ineligible: Funds provided by an interested party
Nontraditional Credit	<p>When no borrower has a valid credit score:</p> <ul style="list-style-type: none"> – Follow our nontraditional credit guidelines (UWG 3.11.04) – Maximum 90% LTV – Requires non-delegated underwriting (UWG 1.08)
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"> – 1-Unit – 1% <ul style="list-style-type: none"> – Gifts of cash can apply toward the 1% when specific requirements are met (see UWG 3.10.04b) – 2-Unit – 3% – 3-4 Unit – 5%
Interested Party Contributions	<p>Maximum contribution</p> <ul style="list-style-type: none"> – > 90% LTV/CLTV – 3% – ≤ 90% LTV/CLTV – 6%
Other Program Requirements	Collections and non-mortgage charge-offs may remain unpaid at closing up to \$250 per account and \$1,000 aggregate
Notes	<p>³When qualifying your borrower for MGIC mortgage insurance, note that we do not require you to include the mortgage insurance premium in the DTI calculation.</p> <p>We reserve the right to decline an application for excessive borrower exposure or history of claim or rescission.</p>