

# MGIC Special Market Underwriting Guide

Updated Oct. 2, 2023

We continuously monitor market conditions nationwide. At any given time, individual market conditions may require consideration that expands or limits the Underwriting Requirements we publish in our Underwriting Guide. We publish these requirements in this guide. A loan secured in a "Special Market" is subject to these Underwriting Requirements. Special Market Underwriting Requirements are subject to change.

Throughout this document, we will refer you to supporting information in our Underwriting Guide. For example, (UWG 3.06) means you will find additional details, including documentation requirements, in Section 3, subsection 6, of the Guide. See our Underwriting Guide for full definitions, details and documentation requirements, [mgic.com/uwguide](https://mgic.com/uwguide).

We've indicated new content in purple type.

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## Summary of changes

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We increased loan limit amounts and applied FHFA loan limits for designated high-cost areas, including Alaska and Hawaii.



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## Alaska – Entire State

### Standard Loans – Primary Residence

Loan Purpose	Property Type	Max. LTV/CLTV	Max. Loan Amount	Min. Credit Score	Max. Total DTI	Min. Reserves (No. months' PITI)
Purchase, Rate/Term Refinance, Construction-Permanent, Home Improvement/Renovation	1-Unit Detached, Attached, Condominium, Co-Op	97%	\$1,089,300	660	45%	2
	2-Unit	95%	\$1,089,300	680	45%; 41% if nonfixed-rate/payment < 5 years	2
Purchase, Rate/Term Refinance, Construction-Permanent	Manufactured Home	95%	\$1,089,300	660	45%	2

### Standard Loans – Second Home

Loan Purpose	Property Type	Max. LTV/CLTV	Max. Loan Amount	Min. Credit Score	Max. Total DTI	Min. Reserves (No. months' PITI)
Purchase, Rate/Term Refinance, Construction-Permanent, Home Improvement/Renovation	1-Unit Detached, Attached, Condominium, Co-Op	90%	\$1,089,300	700	45%; 41% if nonfixed-rate/payment < 5 years	6
Purchase, Rate/Term Refinance, Construction-Permanent	Manufactured Home	90%	\$1,089,300	700	45%	6

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Updated Oct. 2, 2023

## Guam – Entire Territory

### MGIC Go! Loans – DU Approve/ELIGIBLE or Loan Product Advisor Accept/ELIGIBLE Response

Occupancy	Property Type	Max. LTV/CLTV	Min. Credit Score	Max. Total DTI
Primary Residence	1-Unit Detached, Attached, Condominium	97%/105%	620	Per AUS

**Ineligible:** Second homes, 2- to 4-unit properties

### MGIC Go! Loans – DU Approve/INELIGIBLE or Loan Product Advisor Accept/INELIGIBLE

Occupancy	Property Type	Max. LTV/CLTV	Min. Credit Score	Max. Total DTI
Primary Residence	1-Unit Detached, Attached, Condominium	97%	620	45%

Ineligible AUS response acceptable for the following reasons:

- LTV greater than 95% to a maximum 97%
- ARM plan with minimum 5-year initial fixed period that meets requirements in UWG Section 3.08.02

**Ineligible:** Co-ops, manufactured homes, second homes, 2- to 4-unit properties

### Standard Loans – Primary Residence

Loan Purpose	Property Type	Max. LTV/CLTV	Max. Loan Amount	Min. Credit Score	Max. Total DTI	Min. Reserves (No. months' PITI)
Purchase, Rate/Term Refinance, Construction-Permanent, Home Improvement/Renovation	1-Unit Detached, Attached, Condominium	95%	\$726,200	680	45%, 41% if nonfixed-payment/rate < 5 years	2

**Ineligible:** Co-ops, manufactured homes, second homes, 2- to 4-unit properties, cash-out refinance



# MGIC Special Market Underwriting Guide

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## Hawaii – Entire State

### Standard Loans – Primary Residence

Loan Purpose	Property Type	Max. LTV/CLTV	Max. Loan Amount	Min. Credit Score	Max. Total DTI	Min. Reserves (No. months' PITI)
Purchase, Rate/Term Refinance, Construction-Permanent, Home Improvement/Renovation	1-Unit Detached, Attached, Condominium, Co-Op	97%	\$1,089,300	660	45%	2
	2-Unit	95%	\$1,089,300	680	45%; 41% if nonfixed-rate/payment < 5 years	2
Purchase, Rate/Term Refinance, Construction-Permanent	Manufactured Home	95%	\$1,089,300	660	45%	2

### Standard Loans – Second Home

Loan Purpose	Property Type	Max. LTV/CLTV	Max. Loan Amount	Min. Credit Score	Max. Total DTI	Min. Reserves (No. months' PITI)
Purchase, Rate/Term Refinance, Construction-Permanent, Home Improvement/Renovation	1-Unit Detached, Attached, Condominium, Co-Op	90%	\$1,089,300	700	45%; 41% if nonfixed-rate/payment < 5 years	6
Purchase, Rate/Term Refinance, Construction-Permanent	Manufactured Home	90%	\$1,089,300	700	45%	6



# MGIC Special Market Underwriting Guide

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## Puerto Rico – Entire Territory

MGIC Go! Loans – DU Approve/ELIGIBLE or Loan Product Advisor Accept/ELIGIBLE Response

Occupancy	Loan Purpose	Units	Max. LTV/CLTV	Min. Credit Score	Max. Total DTI
Primary Residence	Purchase, Construction-Permanent	1-2	95%	700	45%
	Rate-Term Refinance, Construction-Permanent	1-2	90%	700	45%
Second Home	Purchase, Rate/Term Refinance, Construction-Permanent	1	90%	700	45%

Submission Options	Non-delegated underwriting (UWG 1.08)
Loan Type	Fully amortizing ARM with an initial term of 5 years or more
Property Type	<ul style="list-style-type: none"> <li>– Follow Agency guidelines and Agency selling guide documentation requirements and these MGIC guidelines</li> <li>– Condominiums must have separate rooms for living and sleeping</li> <li>– All condominium units must have at least 1 owned or assigned parking space, or condominium projects must have at least 1 parking space per unit</li> <li>– MGIC condominium maximum project exposure: 33% of sold units</li> <li>– All properties must be constructed using reinforced concrete walls and concrete slabs</li> <li>– Minimum 500 square feet of living area for attached housing units</li> <li>– <b>Ineligible:</b> Manufactured homes, nonwarrantable projects, investment properties, 3- to 4-unit properties, co-ops, wood-and-zinc properties; studio or efficiency apartments</li> </ul>
Borrower's Own Funds	<ul style="list-style-type: none"> <li>– Primary residence: Minimum 3% borrower's own funds</li> <li>– Second home: Minimum 10% borrower's own funds</li> </ul>
Maximum MI Coverage	95% LTV, 30%; 90% LTV, 25%; 85% LTV, 12%
Program Notes	<ul style="list-style-type: none"> <li>– Fannie Mae RefiNow and Freddie Mac Refi Possible eligible when MGIC insures the loan being refinanced</li> <li>– <b>Ineligible:</b> Fannie Mae high-balance loans, Freddie Mac super conforming loans</li> </ul>

### Standard Loans – Primary Residence

Loan Purpose	Property Type	Max. LTV/CLTV	Max. Loan Amount	Min. Credit Score	Max. Total DTI	Min. Reserves (No. months' PITI)
Purchase, Construction-Permanent, Home Improvement/Renovation	1-Unit Detached, Attached, Condominium	95%	\$726,200	700	45%	2
	2-Unit Detached, Attached, Condominium	95%	\$850,000	700	45%	2
Rate/Term Refinance	1-Unit Detached, Attached, Condominium	90%	\$726,200	700	45%	2
	2-Unit Detached, Attached, Condominium	90%	\$850,000	700	45%	2

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# MGIC SPECIAL MARKET UNDERWRITING GUIDE

Updated Oct. 2, 2023

## Puerto Rico – Entire Territory

### Standard Loans – Primary Residence, *continued*

Submission Options	Non-delegated underwriting (UWG 1.08)
Loan Type	Fully amortizing ARM with an initial term of 5 years or more
Loan Purpose	<ul style="list-style-type: none"> <li>– Fannie Mae RefiNow and Freddie Mac Refi Possible eligible when MGIC insures the loan being refinanced</li> <li>– <b>Ineligible:</b> Cash-out refinance</li> </ul>
Property Type	<ul style="list-style-type: none"> <li>– Follow Agency guidelines and Agency selling guide documentation requirements and these MGIC guidelines</li> <li>– Condominiums must have separate rooms for living and sleeping</li> <li>– All condominium units must have at least 1 owned or assigned parking space, or condominium projects must have at least 1 parking space per unit</li> <li>– MGIC condominium maximum project exposure: 33% of sold units</li> <li>– All properties must be constructed using reinforced concrete walls and concrete slabs</li> <li>– Minimum 500 square feet of living area for attached housing units</li> <li>– <b>Ineligible:</b> Manufactured homes, investment properties, co-ops, wood-and-zinc properties; studio or efficiency apartments</li> </ul>
Maximum MI Coverage	95% LTV, 30%; 90% LTV, 25%; 85% LTV, 12%

### Standard Loans – Second Homes

Loan Purpose	Property Type	Max. LTV/CLTV	Max. Loan Amount	Min. Credit Score	Max. Total DTI	Min. Reserves (No. months' PITI)
Purchase, Rate/Term Refinance, Construction-Permanent, Home Improvement/Renovation	1-Unit Detached, Attached, Condominium	90%	\$726,200	700	45%	2

Submission Options	Non-delegated underwriting (UWG 1.08)
Loan Type	Fully amortizing ARM with an initial term of 5 years or more

Property Type	<ul style="list-style-type: none"> <li>– Follow Agency guidelines and Agency selling guide documentation requirements and these MGIC guidelines</li> <li>– Eligible properties must: <ul style="list-style-type: none"> <li>– Have the intended use and enjoyment for the exclusive benefit of the homeowner</li> <li>– Have full kitchen facilities with standard-sized appliances</li> <li>– Be outside the geographic location of the primary residence</li> <li>– Have separate rooms for living and sleeping</li> <li>– Have no lock-out bedrooms</li> <li>– Not be part of a rental pool agreement</li> </ul> </li> <li>– Condominiums must have separate rooms for living and sleeping</li> <li>– All condominium units must have at least 1 owned or assigned parking space, or condominium projects must have at least 1 parking space per unit</li> <li>– MGIC condominium maximum project exposure: 33% of sold units</li> <li>– All properties must be constructed using reinforced concrete walls and concrete slabs</li> <li>– Minimum 500 square feet of living area for attached housing units</li> <li>– <b>Ineligible:</b> Manufactured homes, investment properties, co-ops, wood-and-zinc properties; studio or efficiency apartments</li> </ul>
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Borrower's Own Funds	Minimum 10% borrower's own funds toward the down payment, closing costs, prepaids and reserves
Interested Party Contributions	Maximum contribution: 3%
Maximum MI coverage	90% LTV, 25%; 85% LTV, 12%