

# Guam Underwriting Summary

EFFECTIVE  
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**This summary highlights our most common loan programs. It does not replace our Underwriting Guide, which provides details on our guidelines and requirements ([mgic.com/uwguide](http://mgic.com/uwguide)).**

We do not approve loans for mortgage insurance based solely on a response obtained from Agency automated underwriting systems (Agency AUS), Fannie Mae's Desktop Underwriter® (DU®) and Freddie Mac's Loan Product Advisor®.

We allow certain efficiencies for loans that have a valid DU or Loan Product Advisor response.

**MGIC Go! streamlines MI for:**

- Loans with a valid DU Approve/Eligible or Loan Product Advisor Accept/Eligible response
- Loans with a valid DU Approve/Ineligible or Loan Product Advisor Accept/Ineligible response due to LTV or loan type

These loans must meet requirements stated in our Underwriting Guide (UWG), Section 1, Doing Business with MGIC and Section 2, MGIC Go! Loans.

Follow Findings/Feedback requirements for:

- Documentation
- Tradelines, credit history
- Borrower contribution, including gift funds
- Reserves
- Other criteria

Apply applicable MGIC Go! overlays (pages 2 and 3 in this document); otherwise, refer to the respective Agency selling guide for requirements not provided in the Findings/Feedback.

**Our Standard Underwriting Guidelines** apply to loans that are not processed through an Agency AUS (otherwise known as manually underwritten loans) or loans that do not qualify for MGIC Go! streamlined underwriting.

These loans must meet requirements stated in UWG Section 1, Doing Business with MGIC, and UWG Section 3, Standard Loans.

For standard loans, where indicated in the Guide, you may follow standard Agency guidelines and Agency selling guide documentation requirements (UWG 1.03.03), along with any specified MGIC guidelines and requirements.

**References**

Throughout this summary, we will refer you to supporting information in our Underwriting Guide. For example, (UWG 3.06) means you will find related information in Section 3, subsection 6 of the Guide. Changes from the previous version of our Guide are indicated in purple.

**Support**

If you have questions about information presented in this summary, contact your MGIC representative or your MGIC Underwriting Service Center, [mgic.com/contact](http://mgic.com/contact).

## Guam MGIC GO! Streamlined MI

For loans with a DU Approve/ELIGIBLE or Loan Product Advisor Accept/ELIGIBLE response

Follow Findings/Feedback requirements for:

- Documentation
- Tradelines, credit history
- Borrower contribution, including gift funds
- Reserves
- Other criteria

Apply the following MGIC Go! overlays; otherwise, refer to the respective Agency selling guide for requirements not provided in the Findings/Feedback.

Occupancy	Property Type	Max. LTV/CLTV	Min. Credit Score	Max. Total DTI <sup>1</sup>
Primary Residence	1-Unit Detached, Attached, Condominium	97%/105%	620	Per AUS
Underwriting Options	Delegated (UWG 1.07) or non-delegated (UWG 1.08)			
Credit	If no borrower has an Agency-acceptable credit score, follow the respective Agency's requirements for nontraditional credit.			
Property Type	<ul style="list-style-type: none"> <li>- MGIC condominium maximum project exposure: 33% of sold units</li> <li>- <b>Ineligible:</b> Co-ops, manufactured homes, 2- to 4-unit properties</li> </ul>			
Other Requirements	<ul style="list-style-type: none"> <li>- Loans must follow UWG <a href="#">Section 2</a> requirements</li> <li>- Lender-negotiated Agency waivers or variances require MGIC approval</li> <li>- Purchase LTV calculation: Use lesser of sales price or appraised value regardless of the presence of a community land trust, a Community Seconds mortgage with a subsidized sales price or a deed restriction that does not survive foreclosure</li> <li>- <b>Ineligible:</b> <ul style="list-style-type: none"> <li>- Sweat equity exceeding 5% of the property value</li> <li>- Fannie Mae high LTV refinance loans and Freddie Mac Enhanced Relief Refinance</li> <li>- Borrowers who have been issued an Individual Tax Identification Number (ITIN) in lieu of a Social Security Number</li> <li>- Borrowers who are foreign nationals with diplomatic immunity</li> </ul> </li> </ul>			
Notes	<p><sup>1</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.</p> <p>We reserve the right to decline an application for excessive borrower exposure or history of claim or rescission.</p>			

See the next page for loans with a DU Approve/Ineligible or Loan Product Advisor Accept/Ineligible response due to LTV or loan type.

## Guam MGIC GO! Streamlined MI

**For loans with a DU Approve/INELIGIBLE or Loan Product Advisor Accept/INELIGIBLE response**

Follow Findings/Feedback requirements for:

- Documentation
- Tradelines, credit history
- Borrower contribution, including gift funds
- Reserves
- Other criteria

Apply the following MGIC Go! overlays; otherwise, refer to the respective Agency selling guide for requirements not provided in the Findings/Feedback.

Occupancy	Property Type	Max. LTV/CLTV	Min. Credit Score	Max. Total DTI <sup>1</sup>
Primary Residence	1-Unit Detached, Attached, Condominium	97%	620	45%
Underwriting Options	Delegated (UWG 1.07) or non-delegated (UWG 1.08)			
Ineligible AUS Response	<p>Ineligible AUS response acceptable for the following reasons:</p> <ul style="list-style-type: none"> <li>- LTV greater than 95%, to a maximum of 97%</li> <li>- ARM plan with a minimum 5-year initial fixed period that meets requirements in UWG Section 3.08.02</li> </ul>			
Loan Type	<ul style="list-style-type: none"> <li>- Fixed-rate</li> <li>- Fully amortizing ARM with an initial term of 5 years or more (Qualify ARMs using UWG 3.08.02)</li> <li>- <b>Ineligible:</b> Balloon loans, interest-only loans</li> </ul>			
Credit	<b>Ineligible:</b> When no borrower has a valid credit score			
Property Type	<ul style="list-style-type: none"> <li>- MGIC condominium maximum project exposure: 33% of sold units</li> <li>- <b>Ineligible:</b> Co-ops, manufactured homes, 2- to 4-unit properties</li> </ul>			
Other Requirements	<ul style="list-style-type: none"> <li>- Loans must follow UWG Section 2 requirements</li> <li>- Borrowers who are non-permanent resident aliens must have a minimum 2-year history of US residency and, if income is used to qualify, the legal right to work in the US</li> <li>- Purchase LTV calculation: Use lesser of sales price or appraised value regardless of the presence of a community land trust, a Community Seconds mortgage with a subsidized sales price or a deed restriction that does not survive foreclosure</li> <li>- <b>Ineligible:</b> <ul style="list-style-type: none"> <li>- Sweat equity exceeding 5% of the property value</li> <li>- Fannie Mae HomeReady, high-balance and HomeStyle Energy loans</li> <li>- Freddie Mac Home Possible and super conforming loans</li> <li>- Fannie Mae high LTV refinance loans and Freddie Mac Enhanced Relief Refinance</li> <li>- Lender-negotiated Agency waivers or variances</li> <li>- Cash-out refinances</li> <li>- Borrowers who have been issued an Individual Tax Identification Number (ITIN) in lieu of a Social Security Number</li> <li>- Borrowers who are foreign nationals with diplomatic immunity</li> </ul> </li> </ul>			
Notes	<p><sup>1</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.</p> <p>We reserve the right to decline an application for excessive borrower exposure or history of claim or rescission.</p>			

## Guam – Primary Residence

For loans not eligible for MGIC Go! Streamlined MI. See [mgic.com/uwguide](http://mgic.com/uwguide) for additional criteria.

Loan Purpose	Property Type	Max. LTV/CLTV	Max. Loan Amount	Min. Credit Score	Max. Total DTI <sup>1</sup>	Min. Reserves (No. months' PITI)
Purchase, Rate/Term Refinance, Construction-Permanent <sup>2</sup> , Home Improvement/Renovation	1-Unit Detached, Attached, Condominium	95%	\$726,200	680	45%, 41% if nonfixed-payment/rate < 5 years	2
Underwriting Options	Delegated (UWG 1.07) or non-delegated (UWG 1.08)					
Loan Type	<ul style="list-style-type: none"> <li>– Fixed-rate</li> <li>– Fully amortizing ARM</li> <li>– ≤ 5 years qualify at greater of note rate + 2% or FIAR; &gt; 5 years qualify at note rate</li> </ul>					
Loan Purpose	Construction-permanent – <b>Ineligible:</b> Attached, condominium					
Nontraditional Credit	When no borrower has a valid credit score: <ul style="list-style-type: none"> <li>– Follow our nontraditional credit guidelines (UWG 3.11.04)</li> <li>– Maximum 90% LTV</li> <li>– Requires non-delegated underwriting (UWG 1.08)</li> </ul>					
Borrower's Own Funds	<ul style="list-style-type: none"> <li>– Minimum 3% borrower's own funds toward the down payment, closing costs, prepaids and reserves</li> <li>– Gifts of cash can apply toward the 3%: Maximum DTI 41%; credit score ≥ 720 (UWG 3.10.04b)</li> </ul>					
Interested Party Contributions	Maximum contribution <ul style="list-style-type: none"> <li>– &gt; 90% LTV/CLTV – 3%</li> <li>– ≤ 90% LTV/CLTV – 6%</li> </ul>					
Notes	<sup>1</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.  We reserve the right to decline an application for excessive borrower exposure or history of claim or rescission.					