



**Designed for second homes within the MGIC Portfolio Playbook™ family.** For more information about additional Playbook products, contact your MGIC representative or go to [mgic.com/playbook](http://mgic.com/playbook).

Underwriting and documentation requirements are specific to MGIC mortgage insurance.

Throughout this document, 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. See our Underwriting Guide at [mgic.com/uwguide](http://mgic.com/uwguide).

Loans must meet requirements stated below and in our Underwriting Guide Section 1 and Section 3. 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. Consult your internal staff regarding regulatory and compliance requirements.

Changes to guidelines found in the previous version of this document are highlighted in purple.

### Eligibility Matrix (Second Home)

Loan Purpose	Property Type	Max. LTV/CLTV	Max. Loan Amount	Min. Credit Score	Max. Total DTI <sup>3</sup>	Min. Reserves (Number of Months' PITI)	Min. Borrower Contribution
Purchase, Rate/ Term Refinance, Construction- Permanent <sup>5</sup> , Home Improvement	1-Unit Detached, Attached, Condominiums, PUDs, Co-Ops	90%	\$1,089,300	720	45% <sup>4</sup>	6	5%
			\$726,200 <sup>1</sup>	700	45% <sup>4</sup>	2	5%
	1-Unit Manufactured Homes (See Property Type section on page 3)	90%	\$726,200 <sup>2</sup>	700	45%	2	5%

<sup>1</sup>FHFA high cost: Up to the county-specific loan limit as specified by FHFA for designated high-cost areas.

<sup>2</sup>Up to the loan limit specified for FHFA for AK and HI.

<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>DTI ratio: Nonfixed-rate/payment < 5 years – 41% Total DTI.

### Additional Eligibility

- Borrower must not own any other residential properties other than their primary residence
- Rental income from subject property may not be used to qualify
- **Ineligible: Properties intended for use as a group living home**

### Eligible Origination Channels

- Retail
- Correspondent
- Third-party originator (TPO)



## Second Home

### Product Description

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#### Documentation

Complete Origination File documents (UWG 1.06.02).

#### Underwriting Options

**Delegated Underwriting (UWG 1.07):** Submit an application with loan data only (in lieu of physical documents) via the Loan Center, your loan origination system or other electronic data interface.

**Non-Delegated Underwriting (UWG 1.08):** Submit documents with your MGIC insurance application via the Loan Center or other document delivery service. Upon review, we may request additional documentation.

Certain underwriting features may restrict submission options. See our Underwriting Guide for details, [mgic.com/uwguide](http://mgic.com/uwguide).

#### Mortgage Insurance Premium Plans

- Borrower-Paid: Monthly, Single, Annual, Split, **Choice Monthly**
- Lender-Paid: Monthly, Single

#### Mortgage Insurance Coverage – Get a rate quote with MiQ, [mgic.com/MiQ](http://mgic.com/MiQ)

LTV	10- to 40-Year Term
85.01%-90%	30%, 25%, 17%, 12%
80.01%-85%	25%, 17%, 12%, 6%

#### Non-Occupant Co-Borrower (UWG 3.04.03)

- The occupant borrower must meet all MGIC Underwriting Guidelines without including the non-occupant co-borrower's income, obligations and assets for qualifying purposes
- The non-occupant co-borrower's credit will be considered for eligibility and premium pricing
- The non-occupant co-borrower may not be an interested party (e.g., seller, builder, real estate agent)

#### Loan Purpose (UWG 3.06)

- See eligible loan purposes in the eligibility matrix on page 1
- **Ineligible:**
  - Cash-out refinance transactions
  - <sup>5</sup>Construction-Permanent transactions: Attached, condominium, co-op
  - Home Equity Line of Credit (HELOC) transactions

#### Loan Type and Terms (UWG 3.08)

- Maximum term: 40 years
- Fixed-rate
- Fully amortizing ARM: Loan amounts > **\$726,200** must have an initial term of 5 years or more
- Balloon with an initial term of 5 years or more
- **Ineligible: Interest-only, GPM, scheduled neg-am, potential neg-am**



## Second Home

### Product Description

#### Exclusion of Certain Student Loan Payments (UWG 3.12.03a)

- You may exclude student loan payments from the total monthly debt obligation if the following conditions are met:
  - Payments will be deferred for at least 12 months after the application date and/or the borrower's medical residency will continue at least 6 months after the closing date
  - The borrower responsible for the debt is in one of the following professions: Medical Resident, Medical Doctor, Doctor of Dental Medicine, Doctor of Dental Surgery, Doctor of Optometry
- You must include student loan payments in the total monthly debt obligation when qualifying the borrower with future income

#### Property Types and Considerations (UWG 3.13)

- Manufactured home (UWG 3.13.08)
  - Double-wide or greater
  - Fixed-rate/payment or fully amortizing ARMs with initial term of 5 years or more
  - Loan term maximum 30 years
  - **Ineligible: Leased land, temporary buydowns, home improvement**
- Rural properties (UWG 3.13.09)
  - We'll consider rural properties under the same conditions as those located in suburban or urban locations when:
    - The appraiser deems the property's best use as residential
    - No income derived from the property is used for qualifying
  - Properties with more than 20 acres:
    - Land value may not exceed 50% of the total value
    - Require non-delegated underwriting (UWG 1.08)
  - For properties accessed by a private road, see UWG 3.13.11c
- **Ineligible: 3- to 4-unit properties, properties located in Guam and Puerto Rico**

#### Appraisals and Property Valuation (UWG 3.14)

- You must obtain an appraisal to establish the property's value
- Must have a condition rating C4 or better
- Must have a quality rating Q5 or better

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