

MGIC GO! STREAMLINED MI FOR HOUSING FINANCE AGENCIES (HFAS)

FOR LOANS WITH A VALID AGENCY AUS RESPONSE OF DU APPROVE/ELIGIBLE, LOAN PRODUCT ADVISOR® ACCEPT/ELIGIBLE OR LOAN PRODUCT ADVISOR ACCEPT/INELIGIBLE DUE TO FREDDIE MAC HOME POSSIBLE ADVANTAGE® PURCHASE RESTRICTIONS FOR HFA MORTGAGES

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



HFA
UNDERWRITING
SUMMARY
EFFECTIVE
DEC. 27, 2017

Exclusively for loans originated and closed as part of an HFA first mortgage program
ENTER MGIC PROGRAM #2881 (STATE HFAS) AND #3881 (LOCAL HFAS)

FOLLOW FINDINGS/FEEDBACK REQUIREMENTS FOR:

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

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

QUESTIONS?

Contact
your MGIC
representative,
mgic.com/contact.

Occupancy	Units	Max. LTV/CLTV	Min. Credit Score
Primary Residence	1 to 2	97%/105%	620
	3 to 4	95%/95%	700
DTI Ratio	Total DTI for 3- to 4-unit properties, 45%; otherwise, as allowed by DU or Loan Product Advisor		
Minimum Credit Score	<ul style="list-style-type: none"> · Use the lowest of all Borrower Indicator Scores — if you have more than 1 Agency-acceptable credit score for a borrower, use the lower of 2 or middle of 3 scores for each borrower. See UWG 2.03.02. · If no borrower has an Agency-acceptable credit score: <ul style="list-style-type: none"> – Follow the respective Agency’s requirements for nontraditional credit; see UWG 2.03.03. – The loan must receive a DU Approve/Eligible or Loan Product Advisor Accept/Eligible response to be Go! eligible 		
Submission Options	Delegated MI Underwrite (UWG 1.06.01), MGIC MI Underwrite (UWG 1.06.02) or MGIC MI Underwrite/Full-Doc Review (UWG 1.06.03)		
Other Underwriting Requirements	<ul style="list-style-type: none"> · Loans must follow UWG Section 1 and Section 2 requirements · Information you submit to MGIC must be consistent with the final Agency AUS response · Lender-negotiated waivers or variances require MGIC approval, with the exception of these pre-approved programs: cooperative share loans, Fannie Mae HomeStyle Renovation Mortgages, Fannie Mae HFA Preferred, Freddie Mac Home Possible Advantage for HFAs and affordable housing secondary financing · The HFA may have additional criteria for eligibility; lenders are responsible for assuring each loan complies with both HFA program requirements and MGIC requirements · DU Property Inspection Waiver (PIW) – When you exercise a DU-offered PIW, the property value you submit in the Insurance Application must accurately reflect the property value you entered in DU · Ineligible: <ul style="list-style-type: none"> – Cash-out refinances – Balloon loans – Interest-only loans – DU Refi Plus™ and Freddie Mac Relief Refinance MortgageSM — Open Access loans – Borrowers who already have the maximum number of MGIC-insured loans (UWG 1.03.04) or who have had a loan where MGIC paid or denied a claim (UWG 1.03.05) <p>*Subject to MGIC underwriter discretion</p>		

HFAs – PRIMARY RESIDENCE

FOR LOANS THAT DO NOT MEET MGIC GO! STREAMLINED MI FOR HFAS OR THAT ARE NOT PROCESSED THROUGH AN AGENCY AUS SEE MGIC.COM/UWGGUIDE FOR ADDITIONAL CRITERIA.

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ENTER MGIC PROGRAM 2881 FOR STATE HFAS; 3881 FOR LOCAL HFAS

Loan Purpose	Property Type	Max. LTV/CLTV	Max. Loan Amount	Min. Credit Score
Purchase, Rate/Term Refinance, Construction-Permanent, Home Improvement	1-Unit Detached, Attached, Condominiums, Co-Ops	97%/105%	\$475,000 AK & HI \$700,000	660
	2-Unit	95%/105%	\$650,000	680
Purchase, Rate/Term Refinance, Home Improvement	1-Unit Manufactured Homes*	95%/95%	\$475,000	660
Documentation	Complete Loan Origination File (UWG 1.06.03)			
Submission Options	<ul style="list-style-type: none"> • ≤ 97% LTV/CLTV – Delegated MI Underwrite (UWG 1.06.01), MGIC MI Underwrite (UWG 1.06.02) or MGIC MI Underwrite/Full-Doc Review (UWG 1.06.03) • > 97% CLTV – MGIC MI Underwrite/Full-Doc Review (UWG 1.06.03) 			
Loan Type	<ul style="list-style-type: none"> • Fixed-rate • Fully amortizing ARM with an initial term of 5 years or more • Temporary buydown • Ineligible: Balloon, interest-only, GPM, scheduled neg-am, potential neg-am 			
Loan Purpose	See eligible loan purposes above Ineligible: Cash-out refinance			
Maximum LTV/CLTV	Maximum LTV/CLTV, nonoccupant co-borrower – 95%			
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 3.09.03) • Must meet Fannie Mae’s Community Seconds or Freddie Mac’s Affordable Seconds guidelines, HFA’s down payment assistance program or other MGIC-acceptable source of down payment assistance • If monthly payment is required (including deferred), include the amount in the proposed housing payment • Ineligible: Funds provided by an Interested Party or the lender 			
Credit	<ul style="list-style-type: none"> • Use the lowest of all Borrower Indicator Scores — the lower of 2 or middle of 3 valid credit scores for each borrower. See UWG 3.10.02 • When no borrower has a valid credit score (UWG 3.10.02b): <ul style="list-style-type: none"> – Qualifying with nontraditional credit: Requires an MGIC MI Underwrite/Full-Doc Review (UWG 1.06.03); maximum 90% LTV/105% CLTV; see UWG 3.10.04 • Medical collections – Up to \$1,000 aggregate may remain unpaid at closing (UWG 3.10.05b) 			
Property Type	<ul style="list-style-type: none"> • Rural Properties > 20 acres (UWG 3.12.04i): <ul style="list-style-type: none"> – Land value may not exceed 50% of the total value – Requires an MGIC MI Underwrite/Full-Doc Review (UWG 1.06.03) • *Manufactured homes: <ul style="list-style-type: none"> – Double-wide or greater – Fixed-rate/payment or fully amortizing ARMs with an initial term of 7 years or more – Maximum loan term 30 years – Ineligible: Leased land, construction-permanent loans, temporary buydowns • Ineligible: 3- to 4-unit properties 			
Borrower Contribution	<p>Minimum from the borrower’s own funds toward 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%: Maximum DTI 41%; credit score ≥ 720; (see UWG 3.09.04i) • 2 units – 3% 			
Reserves	Minimum 2 months' PITI			
Seller/Builder Contribution	Maximum contribution: 97% LTV/CLTV, 3%; 90% LTV/CLTV, 6%			
DTI Ratio	• 45% Total DTI, fixed-rate/payment ≥ 5 years			