

COMMUNITY LENDING – PRIMARY RESIDENCE

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

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
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 • 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 			
Minimum Credit Score	<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	Minimum from the borrower's own funds toward down payment, closing costs, prepaids and reserves: <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	<ul style="list-style-type: none"> • 45% Total DTI, fixed-rate/payment ≥ 5 years 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.			