

Announcing updates to underwriting guidelines

We're updating our Underwriting Guide; see highlights of those changes below. All changes are effective immediately.

- MGIC GO! Loans** (UWG 2.02.01a) – We no longer require a minimum credit score for Fannie Mae RefiNow™ and Freddie Mac Refi PossibleSM DU® Approve/Eligible or LPA® Accept/Eligible loans. RefiNow and Refi Possible loans continue to be eligible for MGIC mortgage insurance when refinancing a GSE loan we currently insure
- Adjustable-rate mortgage** (UWG 3.08.02) – To better match the current market, we revised adjustment frequencies and rate adjustment caps. See table below:

Initial Fixed Period	Adjustment Frequency	Rate Adjustment Caps			Qualifying Rate
		Max. 1 st Adjustment	Max. Subsequent Adjustment	Lifetime Cap	
≥ 6 months to < 1 year	≥ 6 months to < 1 year	1%	1%	6%	Greater of Note Rate + 2% or FIAR ¹
	≥ 1 year	1%	2%	6%	
≥ 1 year to < 3 years	≥ 6 months to < 1 year	2%	1%	6%	
	≥ 1 year	2%	2%	6%	
≥ 3 years to < 5 years	≥ 6 months to < 1 year	3%	1%	6%	
	≥ 1 year	3%	2%	6%	
5 years	≥ 6 months	6%	6%	6%	
> 5 years	≥ 6 months	6%	6%	6%	

¹The Fully Indexed Accrual Rate (FIAR) is calculated by adding a margin to a specified index interest rate (index + margin).

- We're adding the following guidance:
 - MGIC Go! Loans** (UWG 2.01) and **Standard Loans, Property Valuation** (UWG 3.14.01) – Lenders are responsible for ensuring that properties have no physical damage or environmental impairment at the time of application
 - Subordinate Financing** (UWG 3.05.03) – For Community Seconds and Affordable Seconds, lenders should follow Agency guidelines, Agency selling guide documentation requirements and MGIC Underwriting Summaries
 - Manufactured homes** (UWG 3.13.08) must be attached to a permanent foundation system, meet local and state codes and the manufacturer's installation requirements

All [temporary guidance related to COVID-19](#) remains in effect. Our updated Underwriting Guide will be posted on mgic.com on or before July 15, 2022.

For more information

- Contact your MGIC representative, mgic.com/contact
- Contact Customer Service, customer_service@mgic.com or 1-800-424-6442
- See our Underwriting Guide, mgic.com/guides
- Review all MGIC COVID-19 updates, mgic.com/coronavirus

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