



## National MI Announcement: RT/UW: 2015-06

Date of Announcement:	November 23, 2015
Effective Date of Changes:	<p>The Rate changes described in this announcement are applicable to all Single Premium Lender-Paid MI (LPMI) applications received on or after <b>January 1, 2016</b>, subject to regulatory approval.</p> <p>The Guideline changes described in this announcement are applicable to all MI applications received on, or after, December 7, 2015 unless otherwise noted below. These changes are incorporated into the National MI Underwriting Guidelines dated <b>December 7, 2015</b>.</p>

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### LPMI Single Rate Changes

We are announcing pricing changes for Lender-Paid Mortgage Insurance (LPMI) Single rates, which will be effective 1/1/2016.

- Lowered rates in many 760+ credit score tiers
- Increased rates in most below 760 credit score tiers

For more information on our rates, please contact your [Sales Advisor](#) or visit our [website](#).

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### Fannie Mae Changes

**National MI supports Fannie Mae's HomeReady™ affordable program and High Balance mortgage eligibility changes to be launched with DU® Version 9.3\* which Fannie Mae will make available December 12, 2015.**

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### Guideline Changes

- **Expanded Conforming High Balance Eligibility (Section 2.3.2)**
  - 95% LTV for 1 Unit Primary Residence (minimum 620)
  - 85% LTV for 2 Unit Primary Residence (minimum 620)
  - 90% LTV for Second Home (minimum 620)
  - 85% LTV for Investment (minimum 680)
- **Reduced Minimum FICO for Conforming Affordable (Section 2.3.3)**

Reduced the minimum FICO from 660 to 620 for Conforming Affordable 1-Unit with CLTVs above 97% LTV
- **Reduced Student Loan Qualifying Payments (Section 3.5.5.2)**

Amended Non AUS student loan qualifying payment requirements to use 0.50% of the cumulative outstanding balances (regardless of the payment status of individual loans)
- **Lowered Reserve Requirements (Sections 3.3.3, 3.3.4 and 3.5.3.5)**

Simplified and reduced Non AUS reserve requirements applicable when an existing property is for sale, pending sale or an occupancy conversion
- **Expanded Rate and Term Refinance Eligibility (Section 3.4.2)**

Non AUS Rate and Term (i.e., Limited Cash Out) Refinance eligibility requirements have been expanded to include borrowers who have inherited or legally been awarded the subject property

## Guideline Clarifications

The following clarifications affect Non AUS guidelines in Section 3 of the TrueGuide:

- Clarified Section 3.7 to state that the lesser of the appraised value or sales price is used to calculate LTV ratios and determine the applicable National MI guidelines and pricing, and that state-specific regulatory requirements as to when MI is required or permitted is outside the scope of the TrueGuide
- Minor change to Section 3.5.1.3 (Auto Allowance) making clear the distinction between 2 different approaches to qualifying borrowers with allowances

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