

National MI Announcement: UW: 2016-09

Date of Announcement: December 12, 2016

Effective Date of Changes: December 10, 2016

National MI is pleased to announce guideline changes supporting these GSE initiatives:

- **Conforming and High Balance/Super Conforming Loan Limit Changes**

The new higher GSE limits will be supported for all 1-2 unit properties. Refer to the guideline matrices in the National MI TrueGuide underwriting guidelines document for 3-4 unit property maximums.

- **Fannie Mae Collateral Underwriter® (CU®) Risk Score <= 2.5**

If the CU Score is less than or equal to 2.5 and the following criteria are satisfied, the value conclusion is considered approved/validated and no further assessment of the appraisal is required:

- Loan is AUS Eligible per DU and the appraisal qualifies for limited review according to CU Day 1 Certainty™ Eligibility requirements for appraisals with CU scores <=2.5
- Appraisal is present, complete, current, and consistent with the purchase contract and application
- Review of the appraisal narrative and photos do not reveal any influences on value that cannot be modeled and appropriately considered by CU
- Condition rating of the property in its current condition is C4 or better (a property that is subject to work to bring it to C4 is not eligible)
- Renovation loans are not eligible

The lender must submit the following to National MI:

- DU CU Findings and
- CU Print Report or the UCDC Submission Summary Report (SSR) from Collateral Underwriter

- **Fannie Mae Property Inspection Waiver (PIW)**

National MI will accept the value and does not require that the lender provide an appraisal if the loan satisfies Fannie's requirements with respect to the PIW. National MI's review will consist of confirmation that the PIW requirements have been satisfied as specified in the DU message indicating that the loan receives a PIW offer and that there are no situations present for which Fannie requires an appraisal even though a PIW offer was made (e.g., natural disaster, resale restriction, etc.).

Refer to the National MI TrueGuide document for additional details regarding these changes.

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