

National MI TrueGuide<sup>®</sup>

# Underwriting Matrices

**VERSION 2.8**

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**PRODUCT ELIGIBILITY**    **AUS Conforming Loans**

**AUS PLUS OVERLAYS GUIDELINE SUMMARY - CONFORMING LOANS**

A DU<sup>®</sup> Approve/Eligible or LPA<sup>SM</sup> Accept/Eligible loan is insurable provided it meets the requirements described in Section 2 of the TrueGuide<sup>®</sup> and the following underwriting overlays<sup>1</sup>:

- One or more borrowers must have at least one FICO score
- Cash-on-Hand does not qualify as an eligible asset for verification purposes
- Geographic Exclusions: None

A DU<sup>®</sup> Approve/Ineligible or LPA<sup>SM</sup> Accept/Ineligible loan that meets National MI's AUS Plus Overlay requirements is insurable if:

- AUS ineligibility due to ARM plan/type and that plan/type meets National MI's Standard ARM Guidelines in section 3.1.4
- AUS ineligibility for primary residence due to cash-out refinance loan purpose to 85% LTV

Occupancy	Loan Purpose	Property Type <sup>2</sup>	Loan Amount <sup>3</sup>	Maximum LTV/CLTV	Minimum FICO	Maximum DTI
<b>STANDARD MARKET GUIDELINES</b>						
Primary Residence	Purchase or Rate / Term Refinance Construction to Permanent <sup>2</sup>	Single Family Condo or Co-op Manufactured Hm <sup>2</sup>	\$424,100	97%	620	Per AUS Approval
	Cash-Out Refinance	Single Family Condo or Co-op Manufactured Hm <sup>2</sup>	\$424,100	85%	620	Per AUS Approval
	Purchase or Rate / Term Refinance Construction to Permanent <sup>2</sup>	Two-Unit	\$543,000	90%	620	Per AUS Approval
Second Home	Purchase or Rate / Term Refinance Construction to Permanent <sup>2</sup>	Single Family Condo or Co-op Manufactured Hm <sup>2</sup>	\$424,100	90%	620	Per AUS Approval
Investment Property	Purchase or Rate / Term Refinance Construction to Permanent <sup>2</sup>	Single Family Condo or Co-op	\$424,100	85%	680	Per AUS Approval

**RESTRICTED MARKET GUIDELINES**

There are no markets identified as restricted.

<sup>1</sup> When there are differences between agency and National MI requirements, lenders must originate to the more restrictive of the two guidelines. This rule applies at the level of individual policy topics.

<sup>2</sup> Construction to Permanent excludes condos and co-ops. Single-wide manufactured homes must be in GSE approved/eligible developments.

<sup>3</sup> Maximum Loan Amounts for AK and HI are \$636,150 (1 unit) and \$814,500 (2 units).

**PRODUCT ELIGIBILITY**
**AUS Conforming High Balance Loans**
**AUS PLUS OVERLAYS GUIDELINE SUMMARY - CONFORMING HIGH BALANCE LOANS**

A DU\* Approve/Eligible or LPA<sup>SM</sup> Accept/Eligible loan is insurable provided it meets the requirements described in Section 2 of the TrueGuide<sup>®</sup> and the following underwriting overlays<sup>1</sup>:

- One or more borrowers must have at least one FICO score
- Cash-on-Hand does not qualify as an eligible asset for verification purposes
- Geographic Exclusions: None

A DU\* Approve/Ineligible or LPA<sup>SM</sup> Accept/Ineligible loan that meets National MI's AUS Plus Overlay requirements is insurable if:

- AUS ineligibility due to ARM plan/type and that plan/type meets National MI's Standard ARM Guidelines in section 3.1.4

Occupancy	Loan Purpose	Property Type <sup>2</sup>	Loan Amount <sup>3</sup>	Maximum LTV/CLTV	Minimum FICO	Maximum DTI
<b>STANDARD MARKET GUIDELINES</b>						
Primary Residence	Purchase or Rate / Term Refinance Construction to Permanent <sup>2</sup>	Single Family Condo or Co-op Manufactured Hm <sup>2</sup>	\$636,150	95%	620	Per AUS Approval
	Cash-Out Refinance	All	All	Not Eligible	Not Eligible	Not Eligible
	Purchase or Rate / Term Refinance Construction to Permanent <sup>2</sup>	Two-Unit	\$814,500	85%	620	Per AUS Approval
Second Home	Purchase or Rate / Term Refinance Construction to Permanent <sup>2</sup>	Single Family Condo or Co-op <sup>2</sup>	\$636,150	90%	620	Per AUS Approval
Investment Property	Purchase or Rate / Term Refinance Construction to Permanent <sup>2</sup>	Single Family Condo or Co-op <sup>2</sup>	\$636,150	85%	680	Per AUS Approval

**RESTRICTED MARKET GUIDELINES**

There are no markets identified as restricted.

<sup>1</sup> When there are differences between agency and National MI requirements, lenders must originate to the more restrictive of the two guidelines. This rule applies at the level of individual policy topics.

<sup>2</sup> Construction to Permanent excludes condos and co-ops. Single-wide manufactured homes must be in GSE approved/eligible developments.

<sup>3</sup> Available only for loan amounts eligible according to Fannie Mae high balance or Freddie Mac super conforming limits. Maximum Loan Amounts for AK and HI are \$954,225 (1 unit) and \$1,221,750 (2 units). Refer to the county specific loan limits to determine the maximum amount for a specific area.

**PRODUCT ELIGIBILITY**
**AUS Affordable Lending**
**AUS PLUS OVERLAYS GUIDELINE SUMMARY - CONFORMING AFFORDABLE LENDING**

A DU\* Approve/Eligible HomeReady Mortgage or LPA<sup>SM</sup> Accept/Eligible Home Possible Mortgage loan is insurable provided it meets the requirements described in Section 2 of the TrueGuide<sup>SM</sup> and the following underwriting overlays<sup>1</sup>:

- One or more borrowers must have at least one FICO score
- Cash-on-Hand does not qualify as an eligible asset for verification purposes
- Geographic Exclusions: None

A DU\* Approve/Ineligible or LPA<sup>SM</sup> Accept/Ineligible loan that meets National MI's AUS Plus Overlay requirements is insurable if:

- AUS ineligibility due to ARM plan/type and that plan/type meets National MI's Standard ARM Guidelines in section 3.1.4

Occupancy	Loan Purpose	Property Type <sup>2</sup>	Loan Amount	Maximum LTV/CLTV	Minimum FICO	Maximum DTI
<b>STANDARD MARKET GUIDELINES</b>						
Primary Residence	Purchase or Rate / Term Refinance Construction to Permanent <sup>2</sup>	Single Family Condo or Co-op Manufactured Hm <sup>2</sup>	\$424,100 <sup>3</sup>	97%/105%	620	Per AUS Approval
			\$636,150 <sup>4</sup>	95%/95%		
	Cash-Out Refinance	All	All	Not Eligible	Not Eligible	Not Eligible
	Purchase or Rate / Term Refinance Construction to Permanent <sup>2</sup>	Two-Unit	\$543,000 <sup>3</sup> \$814,500 <sup>4</sup>	95%/105% 85%/95%	620	Per AUS Approval
3-4 Units <sup>2</sup>		\$636,150 <sup>3</sup>	95%/105%	700		
Second Home	All	All	All	Not Eligible	Not Eligible	Not Eligible
Investment Property	All	All	All	Not Eligible	Not Eligible	Not Eligible

**RESTRICTED MARKET GUIDELINES**

There are no markets identified as restricted.

<sup>1</sup> When there are differences between agency and National MI requirements, lenders must originate to the more restrictive of the two guidelines. This rule applies at the level of individual policy topics.

<sup>2</sup> Construction to Permanent excludes condos and co-ops. Single-wide manufactured homes must be in GSE approved/eligible developments. Minimum 6 months reserves (PITIA) for 3-4 units.

<sup>3</sup> Maximum Loan Amounts for AK and HI are \$636,150 (1 unit), \$814,500 (2 units), and \$850,000 (3-4 units).

<sup>4</sup> Available only for loan amounts eligible according to Fannie Mae high balance or Freddie Mac super conforming limits. Maximum Loan Amounts for AK and HI are \$954,225 (1 unit) and \$1,221,750 (2 units). Refer to the county specific loan limits to determine the maximum amount for a specific area.

**PRODUCT ELIGIBILITY**    **Non AUS Conforming Loans**

**NON AUS GUIDELINE SUMMARY - CONFORMING LOANS**

Loans that are **not** originated in accordance with one of National MI’s “AUS Plus Overlays” programs must meet the following underwriting rules and be originated in accordance with National MI’s Standard Underwriting Guidelines:

- Full income documentation is required (Paystub + W2s; 2 Years Tax Returns; and/or standard requirements as applicable)<sup>1</sup>
- DU\* Approve/Ineligible or LPA<sup>SM</sup> Accept/Ineligible loans which meet the requirements in this matrix and are otherwise eligible in accordance with Section 3.0 guidelines may follow the AUS documentation requirements for income, assets and employment
- Minimum 2 months reserves for 1-2 units; and minimum 6 months reserves for 3-4 units
- ARM maximum LTV/CLTV 95%, minimum initial fixed term 1 year (5 years for Investment Property)
- ARM cash-out refinance ineligible for insurance
- Minimum 3% from occupant borrower’s own funds.
- Non-occupants are not considered when determining qualifying DTI.
- New secondary financing is not permitted.
- Exterior only appraisals or evaluations; property inspection waivers, AVMs or BPOs are not permitted
- Geographic Exclusions: None

Occupancy	Loan Purpose	Property Type <sup>2</sup>	Loan Amount <sup>3</sup>	Maximum LTV/CLTV	Minimum FICO	Maximum DTI
<b>STANDARD MARKET GUIDELINES</b>						
Primary Residence	Purchase or Rate / Term Refinance Construction to Permanent <sup>2</sup>	Single Family Condo or Co-op	\$424,100	97%	680	45%
		Single Family Condo or Co-op	\$636,150	95%	660	45%
		Single Family Condo or Co-op	\$636,150	90%	660	45%
		Manufactured Hm <sup>2,3</sup>	\$424,100			
	Cash-Out Refinance	Single Family Condo or Co-op	\$424,100	85%	680	45%
	Purchase or Rate / Term Refinance Construction to Permanent <sup>2</sup>	Two-Unit 3-4 Units <sup>2</sup>	\$543,000 \$636,150	95% 90%	680 720	45%
Second Home	Purchase or Rate / Term Refinance Construction to Permanent <sup>2</sup>	Single Family Condo or Co-op Manufactured Hm <sup>2</sup>	\$424,100	90%	680	45%
Investment Property	Purchase or Rate / Term Refinance Construction to Permanent <sup>2</sup>	Single Family Condo or Co-op	\$424,100	85%	720	45%

**RESTRICTED MARKET GUIDELINES**

There are no markets identified as restricted.

<sup>1</sup> Refer to Section 3.5.1 of the TrueGuide<sup>®</sup> for details on documentation for specific types of income

<sup>2</sup> Construction to Permanent excludes condos and co-ops  
Manufactured homes must be classified as real property and double-wide (single-wide not permitted)  
Effective 7/15/2017, for a Construction to Perm Loan, 3-4 units are ineligible.

<sup>3</sup> Maximum Amounts for AK and HI are \$636,150 (1 unit), \$814,500 (2 units) and \$850,000 (3-4 units)  
1 Unit: \$636,150 denotes where FHFA High Balance maximums apply (AK/HI High Balance maximum is \$954,225) – Loan amount may not exceed the applicable FHFA maximum. Manufactured home maximum is \$424,100.  
2-4 Units: FHFA High Balance Maximums do not apply.

**PRODUCT ELIGIBILITY**
**Non AUS Jumbo Loans**
**NON AUS GUIDELINE SUMMARY - JUMBO LOAN AMOUNTS**

Loans that are not originated in accordance with one of National MI's "AUS Plus Overlays" programs must meet the following underwriting rules and be originated in accordance with National MI's Standard Underwriting Guidelines:

- For <= \$650,000 loan amounts with a DU\* Approve/Ineligible or LPA™ Accept/Ineligible which meet the requirements in this matrix and are otherwise eligible in accordance with Section 3.0 guidelines may follow the AUS documentation requirements for income, assets and employment. For all other jumbo loans, full income documentation is required (Paystub + W2s; 2 Years Tax Returns; and/or standard requirements as applicable)<sup>2</sup>
- Non-Delegated Underwriting MI submission path required for > \$1,000,000 loan amounts
- Minimum 2 months reserves for <= \$650,000 loan amounts; minimum 6 months reserves for > \$650,000 to \$1,000,000 loan amounts; and minimum 12 months reserves for > \$1,000,000 loan amounts
- ARM minimum initial fixed term 1 year for <= \$650,000 loan amounts; 3 years for > \$650,000 to \$1,000,000 loan amounts; and minimum 5 years for > \$1,000,000 loan amounts
- Minimum 3% from occupant borrower's own funds for <= \$1,000,000 loan amounts; and minimum 5% for > \$1,000,000 loan amounts
- Non-occupants are not considered when determining qualifying DTI
- New secondary financing is not permitted
- Exterior only appraisals or evaluations; property inspection waivers, AVMs or BPOs are not permitted
- Geographic Exclusions: None

Occupancy	Loan Purpose	Property Type	Loan Amount	Maximum LTV/CLTV	Minimum FICO	Maximum DTI
<b>STANDARD MARKET GUIDELINES</b>						
Primary Residence	Purchase or Rate / Term Refinance Construction to Permanent <sup>1</sup>	Single Family Condo or Co-op	\$850,000 <sup>3</sup>	95%	680	45%
			\$650,000 \$850,000 \$1,250,000	90%	660 680 720	45%
			\$1,500,000	85%	720	45%
	Cash-Out Refinance	All	All	Not Eligible	Not Eligible	Not Eligible
	All	Two-Unit 3-4 Units	All	Not Eligible	Not Eligible	Not Eligible
Second Home	Purchase or Rate / Term Refinance Construction to Permanent <sup>1</sup>	Single Family Condo or Co-op	\$650,000 \$850,000	90%	700 720	45%
Investment Property	All	All	All	Not Eligible	Not Eligible	Not Eligible
All	All	Manufactured Homes	All	Not Eligible	Not Eligible	Not Eligible

**RESTRICTED MARKET GUIDELINES**

There are no markets identified as restricted.

<sup>1</sup> Construction to Permanent excludes condos and co-ops

<sup>2</sup> Refer to Section 3.5.1 of the TrueGuide<sup>®</sup> for details on documentation for specific types of income

<sup>3</sup> Maximum Loan Amount for AK and HI is \$1,000,000 (at 95% LTV)

## PRODUCT ELIGIBILITY

## Non AUS Affordable Lending

### NON AUS GUIDELINE SUMMARY - CONFORMING AFFORDABLE LENDING LOANS

Affordable Lending loans that are not originated in accordance with National MI's "AUS Plus Overlays" Affordable Lending program must meet the following underwriting rules and be originated in accordance with National MI's Standard Underwriting Guidelines including the Affordable Lending requirements described in Section 3.4.7:

- Full income documentation is required (Paystub + W2s; 2 Years Tax Returns; and/or standard requirements as applicable)<sup>1</sup>
- DU\* Approve/Ineligible or LPA<sup>SM</sup> Accept/Ineligible loans which meet the requirements in this matrix and are otherwise eligible in accordance with Section 3.0 guidelines can now follow the AUS documentation requirements for income, assets and employment
- Minimum reserves<sup>2</sup>:

# UNITS	LOAN PURPOSE	# MONTHS RESERVES
1-unit	Rate/Term Refinance with lower payments	0
	Purchase & all other refinances	2
2-unit	Rate/Term Refinance with lower payments	2
	Purchase & all other refinances	3
3-4 unit	All	6

- ARM minimum initial fixed term and maximum LTVs: 95% (initial fixed term 7+ years), 90% (3-<7 years) or ineligible (<3 years)
- Exterior only appraisals or evaluations, property inspection waivers, AVMs or BPOs are not permitted
- Non-traditional credit is not permitted
- Minimum 3% contribution from occupant borrower's own funds. Affordable Gift Feature (refer to Section 3.4.7.4 for requirements) permits 100% gift/grant for qualifying borrowers covering borrower contributions and reserves.
- Cash-on-Hand does not qualify as an eligible asset for verification purposes.
- Geographic Exclusions: None

Occupancy	Loan Purpose	Property Type <sup>2</sup>	Loan Amount <sup>4</sup>	Maximum LTV/CLTV	Minimum FICO	Maximum DTI
<b>STANDARD MARKET GUIDELINES</b>						
Primary Residence	Purchase or Rate / Term Refinance Construction to Permanent	Single Family Condo or Co-op	\$424,100	97%/105%	680	45% <sup>3</sup>
			\$424,100	95%/105%	640	45% <sup>3</sup>
		Single Family Condo or Co-op Manufactured Hm	\$424,100	90%/105%	640	45% <sup>3</sup>
	Cash-Out Refinance	All	All	Not Eligible	Not Eligible	Not Eligible
	Purchase or Rate / Term Refinance Construction to Permanent	Two-Unit 3-4 Units	\$543,000 \$636,150	95%/105% 90%/105%	680 720	45% <sup>3</sup>
Second Home	All	All	All	Not Eligible	Not Eligible	Not Eligible
Investment Property	All	All	All	Not Eligible	Not Eligible	Not Eligible

### RESTRICTED MARKET GUIDELINES

There are no markets identified as restricted.

<sup>1</sup> Refer to Section 3.5.1 of the TrueGuide® for details on documentation for specific types of income.

<sup>2</sup> Construction to Permanent excludes condos and co-ops  
Manufactured homes must be classified as real property and double-wide (single-wide not permitted)  
Effective 7/15/2017:

a) For Construction to Perm or Renovation Loans, the same reserves as currently required for Purchase transactions will apply;  
b) For Construction to Perm Loans, 3-4 units are ineligible.

<sup>3</sup> Maximum 41% if the Affordable Gift Feature is utilized.

<sup>4</sup> Maximum Loan Amounts for AK and HI are \$636,150 (1 unit), \$814,500 (2 units) and \$850,000 (3-4 units)

**PRODUCT ELIGIBILITY**
**Non AUS Medical Professionals Program**
**NON AUS GUIDELINE SUMMARY - MEDICAL PROFESSIONALS PROGRAM**

Loans to Medical Professionals may be insured in accordance with the guidelines of any program within the TrueGuide®. The Medical Professionals Program is also available to qualifying medical professionals that satisfy requirements described in Section 3 of the TrueGuide® as amended by this matrix (Refer also to requirements in Section 3.4.8.1 – Medical Professionals Program):

- Applicants must be actively practicing in one of the following professions (may be internship or resident phase) Medical, Dental or Eye doctor or surgeon (MD, DO, OD, DPM, DDS, DMD); and have never been 30 or more days late on student loan payments
- New employment and/or pay increases may be used for qualifying provided they are to occur within 90 days of loan closing
- Payments on student loans may be excluded from DTI provided they are deferred for a minimum of 12 months or will be paid by the employer for a minimum of 3 years (refer to Section 3.4.8.1 for documentation requirements)
- Affordable Gift Feature permits 100% gift/grant covering borrower contributions and reserves for qualifying borrowers who also satisfy the requirements of the feature described in Section 3.4.7.4 and meet the GSE's Affordable Lending income limits
- Minimum Borrower Contributions: 3% from occupant borrower's own funds for <= \$1,000,000 loan amounts; and minimum 5% for > \$1,000,000 loan amounts
- Minimum reserves: 2 months for <= \$650,000 loan amounts; and minimum 6 months for > \$650,000 loan amounts
- Non-Delegated Underwriting MI submission path required for > \$1,000,000 loan amounts
- New secondary financing is not permitted
- Non-occupant borrowers are not considered when determining qualifying DTI
- For <= \$650,000 loan amounts with a DU® Approve/Ineligible or LPA™ Accept/Ineligible which meet the requirements in this matrix and are otherwise eligible in accordance with Section 3.0 guidelines may follow the AUS documentation requirements for income, assets and employment. For all other loans, full income documentation is required (Paystub + W2s; 2 Years Tax Returns; and/or standard requirements as applicable)<sup>1</sup>
- ARM maximum LTV 95%, minimum initial fixed term 1 year for <= \$650,000 loan amounts; minimum 3 years for > \$650,000 to \$1,000,000 loan amounts; and minimum 5 years for > \$1,000,000 loan amounts
- Exterior only appraisals or evaluations, property inspection waivers, AVMs or BPOs are not permitted
- Geographic Exclusions: None

Occupancy	Loan Purpose	Property Type <sup>2</sup>	Loan Amount	Maximum LTV/CLTV	Minimum FICO	Maximum DTI
<b>STANDARD MARKET GUIDELINES</b>						
Primary Residence	Purchase or Rate / Term Refinance Construction to Permanent <sup>2</sup>	Single Family Condo or Co-op	\$450,000	97%	620	50% <sup>3</sup>
			\$650,000 \$850,000 <sup>4</sup>	95% 95%	620 680	50% <sup>3</sup> 50%
			\$1,000,000 \$1,250,000	90% 90%	700 720	50% 50%
			\$1,500,000	85%	720	50%
	Cash-Out Refinance	All	All	Not Eligible	Not Eligible	Not Eligible
Primary Residence	Purchase or Rate / Term Refinance Construction to Permanent <sup>2</sup>	Two-Unit 3-4 Units	All	Not Eligible	Not Eligible	Not Eligible
		Manufactured Homes	\$450,000 \$650,000	90%	640 660	50% <sup>3</sup>
Second Home	All	All	All	Not Eligible	Not Eligible	Not Eligible
Investment Property	All	All	All	Not Eligible	Not Eligible	Not Eligible

**RESTRICTED MARKET GUIDELINES**

There are no markets identified as restricted.

<sup>1</sup> Refer to Section 3.5.1 of the TrueGuide® for details on documentation for specific types of income.

<sup>2</sup> Construction to Permanent excludes condos and co-ops

<sup>3</sup> Maximum 45% DTI if the Affordable Gift Feature is utilized

<sup>4</sup> Maximum Loan Amount for AK and HI is \$1,000,000 (at 95% LTV)