

MGIC announces the following changes effective for MI applications received on or after **May 1, 2010**:

- 17 current Tier One Markets moving to Nonrestricted Market Status
- 7 current Tier Two Markets moving to Tier One Market Status
- Underwriting guidelines for Nonrestricted Markets expanding
- Tier Two Market underwriting guidelines expanding

An updated Credit Union Underwriting Guideline Summary has been posted to our [website](#).

Additionally, we are announcing the kickoff of an initiative to capture condominium and cooperative information.

Market Status Changes			
Tier One Markets Moving to Nonrestricted Market Status	<u>State</u>	<u>CBSA #</u>	<u>CBSA Name</u>
	CT	35300	New Haven-Milford
	HI	n/a	Entire State
	ID	14260	Boise City-Nampa
	ID	17660	Coeur d'Alene
	IL, WI	29404	Lake County-Kenosha County
	MI	11460	Ann Arbor
	MI	22420	Flint
	NJ	20764	Edison-New Brunswick
	NJ, PA	35084	Newark-Union
	OR	13460	Bend
	OR	32780	Medford
	OR	41420	Salem
	TN, MS, AR	32820	Memphis
	UT	39340	Provo-Orem
	UT	41100	St. George
	WA	42644	Seattle-Bellevue-Everett
WA	45104	Tacoma	
Tier Two Markets Moving to Tier One Market Status	<u>State</u>	<u>CBSA #</u>	<u>CBSA Name</u>
	CA	41500	Salinas
	CA	41740	San Diego-Carlsbad-San Marcos
	CA	41884	San Francisco-San Mateo-Redwood
	CA	41940	San Jose- Sunnyvale-Santa Clara
	CA	42044	Santa Ana-Anaheim-Irvine
	CA	42100	Santa Cruz-Watsonville
	CA	42220	Santa Rosa-Petaluma
<p><b>NOTE:</b> All other CA CBSA's and non-CBSA areas remain Tier Two Markets. Tier One Markets continue to be eligible for MGIC's Nonrestricted Credit Union Parameters.</p>			

Nonrestricted Market Changes	
1 Unit Primary Residence Loans Greater Than \$417,000	<ul style="list-style-type: none"> <li>• Maximum Loan Amount – \$625,500 or FHFA, if greater</li> <li>• Minimum Representative Credit Score – 700</li> <li>• Maximum LTV/CLTV – 90%</li> </ul>
Construction-to-Perm Loans	<ul style="list-style-type: none"> <li>• 90% LTV/CLTV to \$625,500 or FHFA, if greater</li> </ul>

Tier Two Restricted Market Changes	
1 Unit Primary Residence Purchase Transactions or Appraised "Subject to Completion" Loans	<ul style="list-style-type: none"> <li>• 95% LTV/CLTV to \$417,000 / Minimum Representative Credit Score – 720</li> <li>• 90% LTV/CLTV to the greater of \$625,500 or FHFA, if greater / Minimum Representative Credit Score – 760</li> </ul>
Condominiums & Cooperatives	<ul style="list-style-type: none"> <li>• Maximum LTV/CLTV – 90%</li> <li>• All FL attached housing remains ineligible</li> </ul>

### Initiative to Identify Condominium/Cooperative Projects

MGIC is also announcing the initial stages of an initiative to identify condominium or cooperative projects when the MI application is submitted. This will give MGIC the ability to manage project risk when the MI application is received.

Here is an overview of the steps being taken:

- We currently capture project information for MI applications submitted with loan documents.
- We have set up processes to capture project information with several EDI customers.
- MI on the WEB (MIOW), our electronic MI application, is being revamped to provide an easy way to select a Project ID or provide data for us to create one.
- We are working with various EDI facilitators to secure project information.

At some point in the future, MI applications without project information will be suspended until the required information is provided.