

MGIC Launches New Version of its Refi-to-Mod (RTM) Program

To expand its support of the HARP program and help provide more members with affordable refinance options, MGIC is launching its "New Insured/Servicer RTM Program." This new program is available only to credit unions that are *not* the current insured/servicer.

Our original RTM Program, renamed the "Same Insured/Servicer RTM Program," is available only to current insured/servicers (see www.cu.mgic.com for complete information).

New Insured/Servicer RTM Program

The new program's parameters match the original RTM program with these few additions:

New Insured/Servicer RTM Program Requirement Additions Compared to Same Insured/Servicer RTM Program

Modification Premium	MGIC will charge a 50 basis point modification premium to continue coverage on the Refinance Loan at the original premium rate and waive enforcement of the representations and other policy terms associated with origination and servicing of the Original Loan. Policy terms and representations apply to origination and servicing of the Refinance Loan.
DTI	The maximum DTI allowed will be 45%.
Income Documentation	Income must be documented per MGIC's Underwriting Guide, regardless of AUS recommendations or findings.
Refinance Loan LTV	The Refinance Loan LTV cannot exceed 105%.

Initially, only fax submissions through our Underwriting Service Centers will be available. Eventually, we will provide other submission options.

The new program will be effective Monday, June 1, 2009, pending individual state approvals. A list of states whose approvals vary from this date will be posted on our [Refi-to-Mod web page](#) beginning the week of May 18. This list will be updated as states approve the program.

New Cash Back Position

MGIC has expanded its position regarding cash back to the member. This change applies to *both* RTM programs.

RTM Program Change

Cash Back	The member can receive up to \$250 cash back at closing. Cash back, as identified on the HUD-1, greater than \$250 must be applied as a principal curtailment to the Refinance Loan.
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Refi-to-Mod Resources

Visit our [Refi-to-Mod web page](#) for complete information regarding both RTM Programs, including Program Requirements, Q & A, Request Forms and Tutorials.