REPUBLIC MORTGAGE
INSURANCE COMPANY

RMIC HFA Underwriting Criteria

RMIC's Housing Finance Agency rates and underwriting guidelines are available only for loans funded by a housing finance agency that is prior approved for this program. To be eligible, loans must meet both the housing finance agency guidelines and RMIC's guidelines, and the loan submission to RMIC must indicate that the loan is a housing finance agency loan. Refer to RMIC's standard guidelines for underwriting criteria not addressed below and for properties located in Level 3 Markets. These guidelines are located at www.rmic.com.

Level 1 and Level 2 Markets

Maximum Loan-to-Value/Combined Loan-to-Value (LTV/CLTV)

- 97%[1] LTV/100% CLTV
- Funds which may require repayment under any circumstances are considered loans and must be included in the CLTV. This includes all second liens, including those which are forgivable or for which monthly payments are deferred.
- Loans with subordinate financing must meet Fannie Mae's Community Second or Freddie Mac's Affordable Second guidelines. The second lien holder cannot be a party to the transaction or an entity that is funded by a party to the transaction.

[1] Maximum 97% base LTV. Maximum 103% Gross LTV (or 100% where required by law). The loan amount in excess of 97% can only include financed MI premiums.

Cash Contributions

- Minimum borrower contribution required is the greater of $1,000 or 1% of the loan amount (funds from gifts, grants, or down payment assistance are not allowed for minimum borrower contribution).
- Interested party contributions are limited to 3% on loans with LTV/CLTV > 90% and 6% on loans with LTV/CLTV ≤ 90%.
- Gifts, grants or down payment assistance from non-profit organizations not funded by an interested party to the transaction and from public agencies not a party to the transaction are allowed.
- Gifts, grants or down payment assistance from interested parties (sellers, developers, builders, realtors, etc.) are limited to closing costs and prepaids only, and must meet the limitations above on interested party contributions.

Ineligible for Coverage

- Refinances, Reduced Documentation, Interest-Only, Potential Negative Amortization, Manufactured Homes, 2-4 Unit Properties, Second Homes, Investment Properties
- Loans with credit scores below 680
- Loans over 95% LTV/CLTV with an initial fixed payment term of less than five years
- Loan amounts greater than $417,000
- Condominiums with LTV/CLTV greater than 95%
- Co-ops with LTV/CLTV greater than 90%
- A-Minus, DU Expanded Approval, LP Caution A-Minus
- Loans in which any borrower has Nontraditional Credit
- Loans in Level 3 Markets

Debt-to-Income (DTI) Requirement

- Maximum 41%

Eligible Documentation

- Full or Alternative Documentation
- DU/LP required documentation is acceptable for DU Approve/Eligible and LP Accept/Eligible loans; however, some overlays apply. Refer to *Section 101.3—Agency Automated Underwriting* and *Section 201.12—Employment* in RMIC's complete underwriting guidelines for requirements for Agency Automated Underwriting and tax transcript requirements.

Property Eligibility

- 1 unit, owner-occupied primary residences only
- Attached, detached, condos, and co-ops (condos limited to 95% LTV and co-ops limited to 90% LTV). Refer to *Section 301.7—Acceptable Property Types* in RMIC's complete guidelines for full requirements pertaining to property types.

Rates are subject to availability in each state, individual state laws, and licensing requirements.

Refer to RMIC's Premium Rates Brochure for notes and definitions.

Refer to www.rmic.com for complete underwriting guidelines and market classification underwriting overlays.