

## National MI Announcement: UW 2022-07

Date of Announcement: December 21, 2022

Effective Date of Changes: Applications dated on or after January 3, 2023 (unless otherwise noted)

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### National MI is pleased to announce updates to the TrueGuide® which includes the following changes and clarifications:

- **Adoption of GSE Loan Amount Increases**

As a follow-up to National MI's [Bulletin 2022-06](#) which was effective November 29, 2022; updated the GSE Conforming and High-Balance loan amount limits.

- **Pricing Using DTI Excluding the Mortgage Insurance Premium**

As a follow-up to National MI's [Bulletin 2022-02](#) which was effective March 12, 2022; the MI premium must be included in DTI for underwriting eligibility purposes and may be excluded from DTI for pricing purposes.

- **Miscellaneous Guideline Updates**

- **Changes for Non-AUS/Manually Underwritten Loans:**

- **Subordinate Financing:** Existing subordinate financing may not be resubordinated as part of a refinance transaction (unless the existing secondary financing is a Community Second or an Affordable Second)
- **Eligible Indices:** Eligible Indices and requirements have been expanded to include indices eligible in accordance with one or more of the following:
  - GSE, FHA, VA, or FHLM guidelines
  - U.S Bank or Credit Union Portfolio programs
- **Seasoned Loans:** TrueGuide content is expanded to describe documentation requirements more fully
- **Non AUS Conforming and Jumbo - Minimum Required Reserves:**
  - a) Non AUS conforming second homes and investment properties: Increased from 2 to 6 months
  - b) Non AUS Jumbo second homes: Increased from 2 to 6 months
- **Non AUS Jumbo - Borrower Eligibility:** For >\$1,000,000 loan amounts; borrowers contributing qualifying income must be U.S. citizens or permanent resident aliens
- **Non AUS Jumbo - Documentation requirements for Loan Amounts > \$1,000,000:**
  - a) Income verified by a VOE must include at least one paystub supporting the income
  - b) Assets verified by a VOD must include at least one statement for each account

- **Changes for AUS & Non AUS/Manually Underwritten Loans:**

- **Delegation of Underwriting Authority:** Increased the loan amount maximum that can be approved with delegated authority to <=\$1,100,000 which was effective December 15, 2022.
- **Source of Minimum Borrower Contributions – Depository Balances:** Expanded the asset documentation to allow computer-generated transaction history printouts from the borrower or financial institution representative identifying the same information as a bank statement.

- **Clarifications:** Several clarifications of existing guidelines are also included. Please refer to the TrueGuide revision history for details.

Underwriting Guidelines detailing these changes and clarifications will be posted to [nationalmi.com](https://nationalmi.com) on or before January 3, 2023.