

National MI Announcement: UW 2023-02

Date of Announcement: July 6, 2023

Effective Date of Changes: Applications dated on or after July 10, 2023

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

▪ **Citizenship and Residency:**

Updated Citizenship and Residency requirements (Sections 2.2.6 and 3.2.1)

- All borrowers require a Social Security Number (SSN) - (ITIN in lieu of SSN is not permitted)
- NPRA and DACA borrowers contributing income to qualify require 1) current EAD or VISA; 2) 2-year history of U.S. employment, income, and credit; 3) lender must determine the individuals are legally in the U.S. and there is an expectation that employment and income will continue for a minimum of 3 years.

▪ **Co-signers, Shared Appreciation, Shared Equity**

Clarified that National MI permits Shared Equity agreements, while Shared Appreciation agreements are not permitted (Section 3.2.3)

▪ **Rate and Term Refinance**

Updated allowable payoffs with a rate and term (limited cash-out) refinance (Section 3.4.2)

- New loan proceeds may be used to pay off the existing first lien, including deferred payments and late payment fees associated with the first mortgage being refinanced and to pay off subordinate liens used entirely to purchase the property, including shared appreciation Community Seconds and the appreciation due to the community seconds provider.

Underwriting Guidelines detailing these changes and clarifications will be posted to nationalmi.com on or before July 10, 2023