



Announcement 21-17R

Guideline Updates and Changes

Effective May 17, 2017:

The following areas of Mortgage Solutions' guidelines have been updated. All changes and additions appear in **red**.

DOWN PAYMENT ASSISTANCE PROGRAMS (DPA)

SOUTHEAST TEXAS HOUSING FINANCE CORPORATION DPA (SETH)

- For product specific guidance see:
 - [eHousing Guidelines](#), [US Bank Lending Manual](#), [SETH Income limits](#)

Approved Programs

- **5 Star Texas Advantage Program**
- Automated Underwriting System (AUS)
 - DU Approve/Eligible findings only
 - Manual underwriting ineligible
 - Loan Prospector Advisor findings only allowed on Freddie Mac HFA
 - LPA Accept required
 - Manual underwriting ineligible
- Ineligible Properties
 - Manufactured Homes
 - Co-Ops
 - Land Trusts
 - Construction to Permanent Financing Loans
- Ineligible loan types
 - USDA
 - FNMA
- Origination Source
 - Retail only
 - Wholesale & Correspondent are ineligible
- Private Mortgage Insurance Requirements
 - Private Mortgage Insurance (PMI) required on all loans over 80% LTV
 - Approved PMI Companies:
 - Mortgage Guaranty Insurance Corporation ([MGIC](#))
 - National Mortgage Insurance Corporation ([NationalMI](#))
 - Genworth Mortgage Insurance Corporation ([Genworth](#))
 - United Guaranty Residential Insurance Company ([UGI](#))
 - Radian Guaranty Inc. ([Radian](#))
 - PMI may not be provided by any entities deemed ineligible by Freddie Mac

Date 5/17/2017

Page 1 of 2

- Loan file must be submitted to PMI company for underwriting
 - If using United Guaranty Residential Insurance Company
- Participating Lender must comply with PMI company overlays
- Only Borrower-paid PMI allowed
- Split PMI is ineligible
 - With National Mortgage Insurance Corporation
- Mortgage Solutions allows reduced private mortgage insurance coverage as indicated in the table below:

REDUCED PMI FOR WSHFC PROGRAM	
LTV	%
95.01-97%	18%
90.01-95%	16%
85.01-90%	12%
80.01-85%	6%