



We are encouraged to announce that conditions have improved in certain areas of the country to the degree that PMI can now adopt a simpler **Distressed Markets Policy** with a single set of criteria. The criteria will open up LTV and credit score requirements in specific MSA/MSADs.

In addition, we are now able to remove 19 MSA/MSADs from the **PMI Distressed Markets List**.

The **PMI Distressed Markets Policy** will change as follows and be **effective immediately**:

- **Eliminate** the minimum 720 credit score limitation for conforming loan amounts for Arizona, California, Delaware, Florida, Hawaii, Nevada and New Jersey.
- **Expand** the LTV High-Balance eligibility to 90% for Arizona, California, Delaware, Florida, Hawaii, Nevada and New Jersey.
- Properties subject to the PMI Distressed Markets Policy will now be subject to **one set of eligibility criteria**:

Conforming Loan Amounts			
Max LTV	Min Credit Score	Property Type	Max DTI
90%	700	1 Unit and Condos	45%
85%	700	1 Unit, Condo, and Co-op	45%
High-Balance Loans			
90%	740	1 Unit and Condos	45%
85%	740	1 Unit, Condo, and Co-op	45%

The **PMI Distressed Markets List** will be updated as follows and be **effective immediately**:

The following 19 MSA/MSADs will be **removed from PMI's Distressed Markets List**.

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| 23460 Gadsden, AL | 30620 Lima, OH |
| 33660 Mobile, AL | 31900 Mansfield, OH |
| 42100 Santa-Cruz-Watsonville, CA | 41780 Sandusky, OH |
| 25540 Hartford-West Hartford-East Hartford, CT | 44220 Springfield, OH |
| 23580 Gainesville, GA | 16820 Charlottesville, VA |
| 29404 Lake County-Kenosha County, IL-WI | 25500 Harrisonburg, VA |
| 44140 Springfield, MA | 37620 Parkersburg-Marietta-Vienna, WV-OH |
| 20260 Duluth, MN-WI | 39540 Racine, WI |
| 33460 Minneapolis-St. Paul-Bloomington, MN-WI | 41620 Salt Lake City, UT |
| 33540 Missoula, MT | |

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The states of **Arizona, Delaware, Florida, Hawaii, Maryland, New Hampshire, New Jersey, Nevada** and **Rhode Island** will be eligible under PMI's standard Distressed Markets criteria.

All of the MSA/MSADs and non-MSA areas within the State of **California** will be eligible under the standard Distressed Markets criteria, except for the **Santa Cruz-Watsonville, CA MSA** which will be removed from PMI's Distressed Markets List.

As our systems will not be completely updated until April 16, 2010, you can submit your loans via EDI, e-PMI® or directly to the National Underwriting Center (NUC). PMI will update the system to ensure you receive appropriate approvals and pricing in these areas.

The following 5 MSA/MSADs will be **added to PMI's Distressed Market List**. These changes will be **effective May 1, 2010**:

15764	Cambridge-Newton-Framingham, MA (MSAD)
13780	Binghamton, NY
21500	Erie, PA
49620	York-Hanover, PA
36220	Odessa, TX

For complete information, please review the updated [PMI Distressed Markets Policy](#) and the [PMI Distressed Markets List](#).

We are committed to fostering sustainable homeownership in all the communities we serve, and we appreciate the opportunity to work with you to achieve this mutual goal.

