



SUBJECT: PMI Eligibility and Guideline Changes Effective 2.1.09

In order to continue our efforts to adapt to recent and anticipated trends in the mortgage market, PMI is making eligibility and guideline changes effective **February 1, 2009**.

The changes are as follows:

- Maximum 95% LTV for all loans, including affordable housing programs.
- Cash-out refinances and second homes are no longer eligible for insurance.
- Properties located in Alaska, New Mexico, New York, Rhode Island and Washington will be subject to a minimum credit score requirement of 700 until the Departments of Insurance (DOIs) in these states approve PMI's rate filing for rates effective 10/1/08. Please visit <http://www.pmi-us.com/rates> for updated rate sheets and rate filing state status.
- PMI's Distressed Markets Policy will be updated as follows:
 - Minimum credit score established for MSA/MSADs designated Level 1 and 2
 - Borrowers who have nontraditional credit are no longer eligible
 - The entire states of Arizona, Florida and Nevada are now designated Level 2 and must meet the following additional criteria:
 - Minimum 720 credit score
 - Maximum \$417,000 loan amount
 - Maximum 45% DTI
 - Maximum 90% LTV
 - Attached housing is no longer eligible in the Florida MSA/MSADs listed below (this includes condominiums, attached PUDs, co-ops, 2- to 4-units, townhomes, and rowhouses):
 - Bradenton-Sarasota-Venice, FL
 - Deltona-Daytona Beach-Ormond Beach, FL
 - Fort Lauderdale-Pompano Beach-Deerfield Beach, FL (MSAD)
 - Miami-Miami Beach-Kendall, FL (MSAD)
 - Naples-Marco Island, FL
 - Orlando-Kissimmee, FL
 - Pensacola-Ferry Pass-Brent, FL
 - West Palm Beach-Boca Raton-Boynton Beach, FL (MSAD)
- The Quick App option will no longer be eligible for mortgage insurance submissions.

We have updated our Guidelines at a Glance; Alaska/Hawaii Guidelines; Distressed Markets Policy, List and Charts; Streamlined Refinance Guidelines; and Construction-to-Permanent Guidelines to reflect the changes **effective February 1, 2009**. You can access these documents [here](#).

Clarification for Condominiums and Condominium Conversions

- PMI's condominium project eligibility requirements are for existing projects only and pre-sale requirements have been removed.
- The condominium conversion requirements have been changed to:
 - Resales of converted condominium units are eligible for insurance if:
 - All units have been previously sold to individuals other than the developer, and
 - The project has been turned over to the HOA, and
 - All other condominium project eligibility requirements have been met.

If you have any questions, please call **800.966.4PMI (4764)**.