



Release Notes

March 13, 2008

Release 2008-05

Reduction of Maximum Allowed Financing

What's New in This Release?

In order to ensure that RMIC remains among the most reliable and financially sound mortgage insurance providers in the industry, RMIC is reducing the maximum LTV/CLTV we will insure to 97%.

Elimination of Loans with LTV/CLTV Over 97%

Effective for commitments submitted on or after **March 31, 2008**, RMIC will no longer insure loans with loan-to-value ratios (LTV/CLTV) greater than 97%, regardless of the decision of any automated underwriting system (AUS). This nationwide change will supersede existing guidelines and program approvals, and applies to all loans including housing finance authority and affordable housing loans.

RMIC's Declining Markets Policy is unaffected by this change. The maximum allowable LTV/CLTV for loans on declining market properties will be reduced by five percent from the LTV/CLTV otherwise allowed by RMIC's underwriting guidelines.

- For example, if RMIC's new underwriting guidelines for a specific loan would have allowed an LTV/CLTV of 97%, the maximum allowable LTV ratio for the same loan in a declining market would be 92%.

Updated Guidelines and Policies

RMIC's Mortgage Insurance Guidelines are available in electronic format at www.rmic.com. All guidelines are updated after the implementation dates for the individual program changes.

If you have any questions regarding RMIC's new guidelines, please contact your RMIC Account Manager at 800-999-7642.