



RELEASE NOTES

October 8, 2008

Release 2008-16

APPRAISAL AND COMMITMENT TERM CHANGES

What's New in this Release?

In light of current market conditions and in order to respond to implementation concerns from many of our customers, RMIC will be withdrawing our previously announced rule requiring recertification of appraisals that are more than 60 days old at closing. We are also announcing a change to the term of RMIC mortgage insurance commitments for non-construction to perm loans.

Both of the credit policy changes announced in this release are effective for all mortgage insurance applications submitted on or after **November 1, 2008**.

The policies outlined in this release **supersede all existing waivers and negotiated guidelines previously granted by RMIC, and apply regardless of the findings of any automated underwriting system (AUS)** except where specifically noted.

Appraisal Guideline Change Withdrawn—No Longer Effective November 1, 2008

Among other changes announced in our Release Notes dated September 23, 2008, RMIC announced the following change to our appraisal guidelines, which was scheduled to take effect on November 1, 2008:

- All loans with an appraisal more than 60 days old at the date of closing will require a new appraisal or a recertification of the existing appraisal and the value.

In subsequent discussions with a number of our customers, we have determined that this change would be very difficult for many to implement in their origination systems and processes. As a result, we have decided to withdraw this requirement on a general basis.

All other changes announced in the September 23, 2008 Release Notes will take effect as scheduled on November 1, 2008.

Mortgage Insurance Commitment Term Change—Effective November 1, 2008

RMIC's standard MI commitment term will change from 180 days to 120 days. The standard commitment term for construction-to-permanent loans will remain at 12 months.

Updated Underwriting Guidelines and Rate Materials

The following materials will be posted to www.rmic.com to assist customers with underwriting and implementation of the credit policy:

- This announcement (Release Notes 10.8.08)
- Summary of RMIC Guideline and Pricing Changes
- Quick Reference Underwriting Guidelines – Effective November 1, 2008
- Declining Markets Policy – Effective November 1, 2008

RMIC's Mortgage Insurance Guidelines are available in electronic format at www.rmic.com. If you have any questions regarding RMIC's new guidelines, please contact your RMIC Account Manager at 800-999-7642.