

Credit Policy Announcement

Enact Mortgage Insurance (Enact) Credit Policy Announcement
January 12, 2024 – Bulletin 2024-01

This Credit Policy Bulletin addresses Enact's Underwriting Guideline Updates.

Effective **January 12, 2024**, our *Underwriting Guidelines* were updated with changes to further clarify and simplify our guidelines. A few of the updates are highlighted below. **Simply Underwrite[®], Standard and PeakSM Guidelines** have been updated to reflect the following changes:

- Updated guidelines to reflect loan limit changes
- Expanded Construction-to-Permanent to allow 2 - 4 unit property types and expanded loan amounts to \$1,500,000 for Standard and Peak Guidelines
- Updated guidelines to allow Approve/Ineligible or Accept/Ineligible recommendation or risk classification with loan amounts up to \$1,250,000 for Standard and Peak Guidelines

*Peak Portfolio is an opt-in program and may not be available in all states at this time. Contact your Enact Sales Representative with questions.

Refer to the attached Change Summaries and Eligibility Recap documents for additional details and any other applicable effective dates.

Please distribute this information to your organization. If you have any issues when submitting loans with the new loan limits, please contact the ActionCenter[®] at 800-444-5664 for assistance in getting these loans processed through our system. As always, we appreciate your business.

Enact Underwriting Guideline Change Summary

The following guideline changes and clarifications will be effective for MI Applications received on or after **January 12, 2024**, unless otherwise specified. The *Underwriting Guidelines* with complete details will be updated and available on our website, EnactMI.com on **January 12, 2024**.

| Guideline Updates Effective January 12, 2024 | | |
|---|---|--|
| Topic | Old Guideline | New Guideline |
| Various Loan Amount References | Simply Underwrite and Standard Guidelines: Not addressed | Simply Underwrite and Standard Guidelines: <ul style="list-style-type: none"> Simply Underwrite updates effective 12/2/23 to align with 2024 FHFA Loan Limits Standard Guideline loan limit updates effective 12/14/23 |
| Appraisal Waiver with PDR and Hybrid Appraisals | Simply Underwrite Guidelines: Not addressed | Simply Underwrite Guidelines: Appraisal Waivers with Property Data Report (PDR) and Hybrid Appraisals are allowed with Approve/Eligible or Accept/ Eligible recommendations or risk classifications |
| AUS / Ineligible | Simply Underwrite Guidelines: Loans receiving an Approve/Ineligible or Accept/Ineligible recommendation or risk classification due to ARM Type may follow the Simply Underwrite Guidelines. | Simply Underwrite Guidelines: <ul style="list-style-type: none"> Loans with a DU Approve/Ineligible or LPA Accept/Ineligible due to ARM Type or LTV 95.01 – 97% are eligible Standard Guidelines: <ul style="list-style-type: none"> Loans with a DU Approve/Ineligible or Loan Product Advisor Accept/Ineligible recommendation or risk classification with loan amounts up to \$1,250,000 may follow the respective AUS documentation requirements for employment, income, assets, reserves and tradelines Refer to Underwriting Guidelines Manual for complete details |
| Collections | Standard Guidelines: Collections, charge offs, judgments, liens and payment plans for federal and state tax liens must be paid in full prior to closing, especially any debt affecting title. However, we will allow collections and charge offs to remain open to the following maximums: <ul style="list-style-type: none"> Up to \$250 per account, and Up to \$1,000 in the aggregate | Standard Guidelines: <ul style="list-style-type: none"> Non-medical collections, charge offs, judgments, liens and payment plans for federal and state tax liens must be paid in full prior to closing, especially any debt affecting title. Non-medical collections and non-mortgage charge offs may remain open to the following maximums: <ul style="list-style-type: none"> Up to \$250 per account, and Up to \$1,000 in the aggregate |
| Construction-to-Permanent Loans | Simply Underwrite and Standard Guidelines: <ul style="list-style-type: none"> 2 – 4 unit property types are ineligible Standard Guidelines: <ul style="list-style-type: none"> Maximum loan amount \$1,100,000 | Simply Underwrite and Standard Guidelines: <ul style="list-style-type: none"> 2 – 4 unit property types are eligible Standard Guidelines: <ul style="list-style-type: none"> Maximum loan amount \$1,500,000 |
| Cooperative Loans | Simply Underwrite and Standard Guidelines: <ul style="list-style-type: none"> 30% maximum investor concentration 50% presale requirement | Simply Underwrite and Standard Guidelines: Removed maximum investor concentration and presale requirements |

Guideline Updates Effective January 12, 2024

| Topic | Old Guideline | New Guideline |
|---------------------------------|--|---|
| Financed MI Premium | Simply Underwrite and Standard Guidelines: GLTV for all transaction types is not addressed | Simply Underwrite and Standard Guidelines: Clarified GLTV requirements |
| Foreign Credit Reports | Simply Underwrite and Standard Guidelines: Not addressed | Simply Underwrite and Standard Guidelines: Foreign credit reports are ineligible |
| Foreign Income | Standard Guidelines: Qualification ratios using foreign income will be determined by utilizing 75% of the current exchange rate to compensate for potential currency fluctuation | Standard Guidelines: <ul style="list-style-type: none"> Removed the 75% exchange rate requirement Added that all income must be translated to U.S. dollars |
| Installment Credit History | Standard Guidelines: <ul style="list-style-type: none"> A current status Generally, accounted for in the credit score with: <ul style="list-style-type: none"> No more than 1 x 30 in the last twelve (12) months No more than 2 x 30 and 1 x 60 in last 24 months | Standard Guidelines: Follow GSE standard guidelines |
| Builder/Seller Contributions | Simply Underwrite and Standard Guidelines: <ul style="list-style-type: none"> 90.01 – 97% - 3% 90% - 6% | Simply Underwrite and Standard Guidelines: Follow GSE standard guidelines |
| Housing Expense to Income Ratio | Simply Underwrite and Standard Guidelines: Housing expense-to-income definition not included | Simply Underwrite and Standard Guidelines: Updated guidelines to include housing expense-to-income definition and additional details |
| Manufactured Housing | Simply Underwrite Guidelines: Manufactured Housing is eligible to a maximum LTV of 97% for MH Advantage loans | Simply Underwrite Guidelines: Fannie Mae MH Advantage® and Freddie Mac CHOICEHome® properties must be identified as manufactured homes |
| Pooled Savings as Debt | Standard Guidelines: Payments on loans against a pooled savings debt may not be considered as a debt when determining qualifying ratios | Standard Guidelines: This section has been removed |
| Property Flipping | Standard Guidelines: This section provides property flipping details | Standard Guidelines: This section has been removed |
| Rate/Term Refinance | Simply Underwrite and Standard Guidelines: Rate/Term Refinance information is located in section 5.15 | Standard Guidelines: Relocated Rate/Term Refinance section 5.15 to Standard Guidelines section 7.17 |
| Revolving Credit History | Standard Guidelines: <ul style="list-style-type: none"> A current status Generally, accounted for in the credit score with: <ul style="list-style-type: none"> No more than 2 x 30 in last twelve (12) months No more than 2 x 30 and 1 x 60 in the last 24 months | Standard Guidelines: Follow GSE standard guidelines |
| Sweat Equity | Simply Underwrite and Standard Guidelines: Sweat equity permitted for one-unit properties with a minimum 5% down payment. Borrower must contribute at least 3% of their own funds (2% sweat equity). | Simply Underwrite and Standard Guidelines: Sweat equity is permitted per GSE standard guidelines |

Guideline Updates Effective January 12, 2024

| Topic | Old Guideline | New Guideline |
|-----------------------------------|--|--|
| Verbal Verification of Employment | Standard Guidelines: Verbal VOE is required to be dated within 30 calendar days prior to the note date for both salaried and self-employed borrowers | Standard Guidelines: Follow Fannie Mae if Fannie Mae, Follow Freddie Mac if Freddie Mac, otherwise least restrictive |

This summary is intended for reference only and is subject to the complete terms and conditions of Enact's *Underwriting Guidelines* at [EnactMI.com](https://enactmi.com). In case of differences with this document, the *Underwriting Guidelines* will govern.



Enact Peak PortfolioSM Underwriting Guideline Change Summary

The following guideline changes and clarifications will be effective for MI Applications received on or after January 12, 2024 unless otherwise specified. The Peak Portfolio Underwriting Guidelines with complete details will be updated and available on our website, EnactMI.com on January 12, 2024.

| Peak Portfolio Guideline Updates Effective January 12, 2024 | | |
|---|--|--|
| Topic | Old Guideline | New Guideline |
| Various Loan Amount References | Loan amount references to \$1,100,000 | Effective 12/14/2023: <ul style="list-style-type: none">All references to loan amounts of \$1,100,000 have been increased to \$1,250,000 |
| 2 - 4 Unit Properties | Maximum loan amount \$1,400,000 | Maximum loan amount increased to \$1,500,000 |
| Appraisal Waivers | Not previously addressed | Appraisal Waivers are ineligible |
| AUS / Ineligible | Loans receiving DU Approve/Ineligible or Loan Product Advisor Accept/ Ineligible recommendation: May follow AUS documentation recommendation for employment, income & assets | Loans with a DU Approve/Ineligible or Loan Product Advisor Accept/Ineligible with loan amounts up to \$1,250,000: May follow the respective AUS documentation requirements for employment, income, assets, reserves and tradelines |
| Construction-to-Permanent Loans | <ul style="list-style-type: none">2 – 4 Unit property types are ineligibleMaximum loan amount \$1,100,000 | <ul style="list-style-type: none">2 – 4 Unit property types are eligibleMaximum loan amount \$1,500,000 |
| Financed MI Premium | <ul style="list-style-type: none">Not previously addressed | Added guidelines to specifically address Gross LTV (GLTV): Loan amount + financed MI premium <ul style="list-style-type: none">The GLTV must not exceed 100% where the loan amount is ≤ \$1,500,000For all other transactions, the GLTV must not exceed the maximum LTV |
| Foreign Credit Reports | Not previously addressed | Foreign credit reports are ineligible |
| Interested Party Contributions | Maximum contribution: <ul style="list-style-type: none">90.01 – 97% - 3%90% - 6% | Follow GSE standard guidelines. |
| Renovation | Renovation loans are ineligible for: <ul style="list-style-type: none">2 Unit properties > 85% LTV3 - 4 Unit properties | Renovation loans are eligible for 2 - 4 Unit properties up to 95% LTV |
| Reserves | Various requirements | Reserve requirements updated to align with loan limit changes |

This summary is intended for reference only and is subject to the complete terms and conditions of Enact's Peak Portfolio Underwriting Guidelines at EnactMI.com. In case of differences with this document, the Peak Portfolio Underwriting Guidelines will govern.

01/12/2024

Enact mortgage insurers include Enact Mortgage Insurance Corporation and Enact Mortgage Insurance Corporation of North Carolina.
©2024 Enact Holdings, Inc. All rights reserved.

Simply Underwrite[®]

Eligibility Recap

Simply Underwrite applies to eligible loans with a **Desktop Underwriter[®]** recommendation or **Loan Product Advisor[®]** risk classification. Contact your sales representative or the ActionCenter[®] at 800-444-5664 with any questions.

Effective January 12, 2024

| Primary Residence – Purchase, Rate/Term Refinance & Construction-to-Permanent | | | | |
|--|--|------------------------|----------------------|-------------------------------|
| Property Type | Max LTV/CLTV | Max Loan Amount | Minimum Credit Score | Max DTI ¹ |
| Single family (detached & attached), Condominiums, Cooperatives, Manufactured Housing ² | 97% | Agency Base Conforming | 600 ³ | Per DU & Loan Product Advisor |
| 2 units | 95% | FHFA High Cost | | |
| 3 units | 95% | FHFA High Cost | | |
| 4 units | 95% | Agency Base Conforming | | |
| 4 units | 95% | Agency Base Conforming | | |
| Second Home – Purchase, Rate/Term Refinance & Construction-to-Permanent | | | | |
| Single family (detached & attached), Condominiums, Cooperatives, Manufactured Housing | 90% | FHFA High Cost | 620 | Per DU & Loan Product Advisor |
| Investment Property, Purchase & Rate/Term Refinance | | | | |
| Single family (detached & attached), Condominiums | 85% | FHFA High Cost | 620 | Per DU & Loan Product Advisor |
| ¹ Enact utilizes the DTI excluding the mortgage insurance for pricing purposes, the total DTI including mortgage insurance is used for guideline eligibility. | | | | |
| ² Fannie Mae MH Advantage® and Freddie Mac CHOICEHome® properties must be identified as manufactured homes | | | | |
| ³ A minimum credit score of 600 is eligible for loans with the following characteristics: Primary Residence, Purchase, Rate/Term Refinance transactions with multiple borrowers | | | | |
| Eligibility | In addition to Approve/Eligible and Accept/Eligible loans, the following GSE AUS recommendations or risk classifications may be eligible for Simply Underwrite: <ul style="list-style-type: none">• Approve/Ineligible for ARM Type• Approve/Ineligible or Accept/Ineligible for LTV - For a 1-unit primary residence with LTV 95.01 – 97%• See Simply Underwrite sections 4.1 and 6.1 in the <i>Underwriting Guidelines</i> for complete details• HomeReady® and Home Possible® are eligible for Simply Underwrite. For more information, see section 4.2 in our <i>Underwriting Guidelines</i>. | | | |
| Exclusions from Simply Underwrite | <ul style="list-style-type: none">• Lender-negotiated guideline variances, waivers or programs unless approved by Enact. | | | |
| Other Underwriting Requirements | <ul style="list-style-type: none">• Enact does not insure the following: Properties located in Guam, Puerto Rico and Virgin Islands• Follow sections 4.1 and 6.1 Simply Underwrite requirements in our <i>Underwriting Guidelines</i>• Appraisal waivers are eligible when offered by DU or LPA for rate/term refinance transactions receiving a DU Approve/Eligible or LPA Accept/Eligible recommendation and loans meeting Fannie Mae’s Rural High-Needs Appraisal Waiver requirements• Appraisal waivers with Property Data Report (PDR) and Hybrid Appraisals are allowed per GSE guidelines | | | |
| Note | Enact does not approve loans for mortgage insurance based solely on a response obtained from Agency automated underwriting systems, Fannie Mae’s Desktop Underwriter (DU) and Freddie Mac’s Loan Product Advisor. | | | |

Desktop Underwriter[®], DU[®], HomeReady[®] and MH Advantage[®] are registered trademarks of Fannie Mae. Loan Product Advisor[®], Home Possible[®] and CHOICEHome[®] are registered trademarks of Freddie Mac.

This summary is intended for reference only and is subject to the complete terms and conditions of Enact's *Underwriting Guidelines* at [EnactML.com](https://enactml.com). In case of differences with this document, the *Underwriting Guidelines* will govern.

Standard Guidelines

Eligibility Recap

Standard Guidelines apply to loans that are not eligible for **Simply Underwrite**. Contact your sales representative or the ActionCenter® at 800-444-5664 with any questions.

Effective January 12, 2024

| Primary Residence – Purchase, Rate/Term Refinance & Construction-to-Permanent ² | | | | |
|--|--------------|------------------------------|------------------|----------------------|
| Property Type | Max LTV/CLTV | Max Loan Amount ¹ | Min Credit Score | Max DTI ³ |
| Single family (detached & attached), Condominiums, Cooperatives | 97% | \$1,250,000 | 620 | 50% |
| | 95% | \$1,500,000 | 680 | 45% |
| | 90% | \$1,750,000 | 720 | 45% |
| | 85% | \$2,000,000 | 740 | 45% |
| Manufactured Housing | 97% | Agency Base Conforming | 620 | 50% |
| 2 units | 95% | | 620 | 50% |
| 3 – 4 units | 95% | | 700 | 45% |
| Primary Residence - Cash-Out Refinance | | | | |
| Single family (detached & attached), Condominiums, Cooperatives | 90%/NA | \$766,550 | 700 | 45% |
| | 85%/NA | \$766,550 | 620 | 50% |
| | 85%/NA | \$1,250,000 | 720 | 45% |
| Second Home – Purchase, Rate/Term Refinance & Construction-to-Permanent | | | | |
| Single family (detached & attached), Condominiums, Cooperatives | 90% | \$766,550 | 620 | 50% |
| | 90% | \$1,250,000 | 700 | 45% |
| Manufactured Housing | 90% | \$766,550 | 620 | 50% |
| Second Home – Cash-Out Refinance | | | | |
| Single family (detached & attached), Condominiums, Cooperatives | 85%/NA | \$1,250,000 | 740 | 45% |
| Investment Property – Purchase & Rate/Term Refinance | | | | |
| Single family (detached & attached), Condominiums | 85% | \$1,250,000 | 700 | 45% |

¹ Maximum loan amount for 2 – 4 units is \$1,474,400.

² The maximum loan amount for Construction-to-Permanent transactions is \$1,500,000.

³ Enact utilizes the DTI excluding the mortgage insurance for pricing purposes, the total DTI including mortgage insurance is used for guideline eligibility.

| | |
|---------------------|---|
| Standard Guidelines | <ul style="list-style-type: none"> Follow sections 7.1 and 7.2 Standard Guideline requirements in our <i>Underwriting Guidelines</i> for complete details Loans may be underwritten using delegated underwriting authority, as allowed, or submitted for Enact underwriting Maximum cash-out amount: \$250,000 |
|---------------------|---|

This summary is intended for reference only and is subject to the complete terms and conditions of Enact's *Underwriting Guidelines* at [EnactML.com](https://enactml.com). In case of differences with this document, the *Underwriting Guidelines* will govern.



Simply Underwrite[®]

Eligibility Recap for Credit Unions

Simply Underwrite applies to eligible loans with a **Desktop Underwriter[®]** recommendation or **Loan Product Advisor[®]** risk classification. Contact your sales representative or the ActionCenter[®] at 800-444-5664 with any questions.

Effective January 12, 2024

| Primary Residence – Purchase, Rate/Term Refinance & Construction-to-Permanent | | | | |
|--|--|------------------------|----------------------|-------------------------------|
| Property Type | Max LTV/CLTV | Max Loan Amount | Minimum Credit Score | Max DTI ¹ |
| Single family (detached & attached), Condominiums, Cooperatives, Manufactured Housing ² | 97% | Agency Base Conforming | 600 ³ | Per DU & Loan Product Advisor |
| | 95% | FHFA High Cost | | |
| 2 units | 95% | FHFA High Cost | | |
| 3 units | 95% | Agency Base Conforming | | |
| 4 units | 95% | Agency Base Conforming | | |
| Second Home – Purchase, Rate/Term Refinance & Construction-to-Permanent | | | | |
| Single family (detached & attached), Condominiums, Cooperatives, Manufactured Housing | 90% | FHFA High Cost | 620 | Per DU & Loan Product Advisor |
| Investment Property, Purchase & Rate/Term Refinance | | | | |
| Single family (detached & attached), Condominiums | 85% | FHFA High Cost | 620 | Per DU & Loan Product Advisor |
| ¹ Enact utilizes the DTI excluding the mortgage insurance for pricing purposes, the total DTI including mortgage insurance is used for guideline eligibility. | | | | |
| ² Fannie Mae MH Advantage® and Freddie Mac CHOICEHome® properties must be identified as manufactured homes | | | | |
| ³ A minimum credit score of 600 is eligible for loans with the following characteristics: Primary residence, Purchase, Rate/Term Refinance transactions with multiple borrowers | | | | |
| Eligibility | In addition to Approve/Eligible and Accept/Eligible loans, the following GSE AUS recommendations or risk classifications may be eligible for Simply Underwrite: <ul style="list-style-type: none">• Approve/Ineligible for ARM Type• Approve/Ineligible or Accept/Ineligible for LTV - For a 1-unit primary residence with LTV 95.01 – 97%• See Simply Underwrite sections 4.1 and 6.1 in the <i>Underwriting Guidelines</i> for complete details• HomeReady® and Home Possible® are eligible for Simply Underwrite. For more information, see section 4.2 in our <i>Underwriting Guidelines</i>. | | | |
| Exclusions from Simply Underwrite | <ul style="list-style-type: none">• Lender-negotiated guideline variances, waivers or programs unless approved by Enact. | | | |
| Other Underwriting Requirements | <ul style="list-style-type: none">• Enact does not insure the following: Properties located in Guam, Puerto Rico and Virgin Islands• Follow sections 4.1 and 6.1 Simply Underwrite requirements in our <i>Underwriting Guidelines</i>• Appraisal waivers are eligible when offered by DU or LPA for rate/term refinance transactions receiving a DU Approve/Eligible or LPA Accept/Eligible recommendation and loans meeting Fannie Mae’s Rural High-Needs Appraisal Waiver requirements• Appraisal waivers with Property Data Report (PDR) and Hybrid Appraisals are allowed per GSE guidelines | | | |
| Note | Enact does not approve loans for mortgage insurance based solely on a response obtained from Agency automated underwriting systems, Fannie Mae’s Desktop Underwriter (DU) and Freddie Mac’s Loan Product Advisor. | | | |

Desktop Underwriter[®], DU[®], HomeReady[®], and MH Advantage[®] are registered trademarks of Fannie Mae. Loan Product Advisor[®], Home Possible[®] and CHOICEHome[®] are registered trademarks of Freddie Mac.

This summary is intended for reference only and is subject to the complete terms and conditions of Enact's *Underwriting Guidelines* at [EnactML.com](https://www.enactml.com). In case of differences with this document, the *Underwriting Guidelines* will govern.

00884.0124

Enact mortgage insurers include Enact Mortgage Insurance Corporation and Enact Mortgage Insurance Corporation of North Carolina.
©2024 Enact Holdings, Inc. All rights reserved.

Standard Guidelines

Eligibility Recap for Credit Unions

Standard Guidelines apply to loans that are not eligible for **Simply Underwrite**. Contact your sales representative or the ActionCenter® at 800-444-5664 with any questions.

Effective January 12, 2024

| Primary Residence – Purchase, Rate/Term Refinance & Construction-to-Permanent ² | | | | |
|--|--------------|------------------------------|------------------|----------------------|
| Property Type | Max LTV/CLTV | Max Loan Amount ¹ | Min Credit Score | Max DTI ³ |
| Single family (detached & attached), Condominiums, Cooperatives | 97% | \$1,250,000 | 620 | 50% |
| | 95% | \$1,500,000 | 680 | 45% |
| | 90% | \$1,750,000 | 720 | 45% |
| | 85% | \$2,000,000 | 740 | 45% |
| Manufactured Housing | 97% | Agency Base Conforming | 620 | 50% |
| 2 units | 95% | | 620 | 50% |
| 3 – 4 units | 95% | | 700 | 45% |
| Primary Residence - Cash-Out Refinance | | | | |
| Single family (detached & attached), Condominiums, Cooperatives | 90%/NA | \$766,550 | 700 | 45% |
| | 85%/NA | \$766,550 | 620 | 50% |
| | 85%/NA | \$1,250,000 | 720 | 45% |
| Second Home – Purchase, Rate/Term Refinance & Construction-to-Permanent | | | | |
| Single family (detached & attached), Condominiums, Cooperatives | 90% | \$766,550 | 620 | 50% |
| | 90% | \$1,250,000 | 700 | 45% |
| Manufactured Housing | 90% | \$766,550 | 620 | 50% |
| Second Home – Cash-Out Refinance | | | | |
| Single family (detached & attached), Condominiums, Cooperatives | 85%/NA | \$1,250,000 | 740 | 45% |
| Investment Property – Purchase & Rate/Term Refinance | | | | |
| Single family (detached & attached), Condominiums | 85% | \$1,250,000 | 700 | 45% |

¹ Maximum loan amount for 2 – 4 units is \$1,474,400.

² The maximum loan amount for Construction-to-Permanent transactions is \$1,500,000.

³ Enact utilizes the DTI excluding the mortgage insurance for pricing purposes, the total DTI including mortgage insurance is used for guideline eligibility.

| | |
|---------------------|---|
| Standard Guidelines | <ul style="list-style-type: none"> Follow sections 7.1 and 7.2 Standard Guideline requirements in our <i>Underwriting Guidelines for complete details</i> Loans may be underwritten using delegated underwriting authority, as allowed, or submitted for Enact underwriting Maximum cash-out amount: \$250,000 |
|---------------------|---|

This summary is intended for reference only and is subject to the complete terms and conditions of Enact's *Underwriting Guidelines* at [EnactMI.com](https://enactmi.com). In case of differences with this document, the *Underwriting Guidelines* will govern.



Simply Underwrite[®]

Eligibility Recap for Housing Finance Agencies

Simply Underwrite applies to eligible loans with a **Desktop Underwriter[®]** recommendation or **Loan Product Advisor[®]** risk classification. Contact your sales representative or the ActionCenter[®] at 800-444-5664 with any questions.

Effective January 12, 2024

| Primary Residence – Purchase, Rate/Term Refinance & Construction to Permanent | | | | |
|--|---|------------------------|----------------------|-------------------------------|
| Property Type | Maximum LTV/CLTV | Maximum Loan Amount | Minimum Credit Score | Maximum DTI ¹ |
| Single family (detached & attached), Condominiums, Cooperatives, Manufactured Housing ² | 97%/105% | Agency Base Conforming | 600 ³ | Per DU & Loan Product Advisor |
| | 95%/105% | FHFA High Cost | | |
| 2 units | 95%/105% | FHFA High Cost | | |
| 3 units | | Agency Base Conforming | | |
| 4 units | | Agency Base Conforming | | |
| ¹ Enact utilizes the DTI excluding the mortgage insurance for pricing purposes, the total DTI including mortgage insurance is used for guideline eligibility. | | | | |
| ² Fannie Mae MH Advantage® and Freddie Mac CHOICEHome® properties must be identified as manufactured homes | | | | |
| ³ A minimum credit score of 600 is eligible for loans with the following characteristics: Primary Residence, Purchase, Rate/Term Refinance transactions with multiple borrowers | | | | |
| Eligibility | In addition to Approve/Eligible and Accept/Eligible loans, the following GSE AUS recommendations or risk classifications are eligible for Simply Underwrite: <ul style="list-style-type: none">• Approve/Ineligible for ARM Type• Approve/Ineligible or Accept/Ineligible for LTV - For a 1-unit primary residence with LTV 95.01 – 97%• See Simply Underwrite sections 4.1 and 6.1 of the <i>Underwriting Guidelines</i> for complete details | | | |
| Desktop Underwriter: HFA Preferred™ or HomeReady® | <ul style="list-style-type: none">• Loan must be processed in DU® as either HFA Preferred™ or HomeReady®, according to Fannie Mae's directions• Follow Fannie Mae's published program guidelines for HFA Preferred or HomeReady through DU and <i>Exclusions from Simply Underwrite for HFAs</i> found in this chart. | | | |
| Loan Product Advisor: Home Possible®, or HFA Advantage® | <ul style="list-style-type: none">• Loan must be processed in Loan Product Advisor with the applicable Home Possible®, or HFA AdvantageSM offering identifiers• Follow Freddie Mac's published Home Possible or HFA Advantage program guidelines and <i>Exclusions from Simply Underwrite for HFAs</i> found in this chart. | | | |
| Eligibility Exclusions | <ul style="list-style-type: none">• Lender-negotiated guideline variances, waivers or programs unless approved by Enact | | | |
| Other Underwriting Requirements | <ul style="list-style-type: none">• Enact does not insure the following: Properties located in Guam, Puerto Rico and Virgin Islands• Follow sections 4.1 and 6.1 Simply Underwrite in our <i>Underwriting Guidelines</i> for complete details• Appraisal waivers are eligible when offered by DU or LPA for rate/term refinance transactions receiving a DU Approve/Eligible or LPA Accept/Eligible recommendation and loans meeting Fannie Mae's Rural High-Needs Appraisal Waiver requirements• Appraisal waivers with Property Data Report (PDR) and Hybrid Appraisals are allowed per GSE guidelines | | | |
| Note | Enact does not approve loans for mortgage insurance based solely on a response obtained from Agency automated underwriting systems, Fannie Mae's Desktop Underwriter (DU) and Freddie Mac's Loan Product Advisor. | | | |

Desktop Underwriter[®], DU[®], Community Seconds[®], MH Advantage[®] and HomeReady[®] are registered trademarks of Fannie Mae. HFA Preferred[™] is a trademark of Fannie Mae. Home Possible[®], Affordable Seconds[®], HFA Advantage[®], Loan Product Advisor[®] and CHOICEHome[®] are registered trademarks of Freddie Mac.

This summary is intended for reference only and is subject to the complete terms and conditions of Enact's *Underwriting Guidelines* at [EnactML.com](https://www.enactml.com). In case of differences with this document, the *Underwriting Guidelines* will govern.

00885.0124

Enact mortgage insurers include Enact Mortgage Insurance Corporation and Enact Mortgage Insurance Corporation of North Carolina.
©2024 Enact Holdings, Inc. All rights reserved.



Standard Guidelines

Eligibility Recap for Housing Finance Agencies

Standard Guidelines apply to loans that are not eligible for HFA Simply Underwrite. Contact your sales representative or the ActionCenter® at 800-444-5664 with any questions.

Effective January 12, 2024

| Primary Residence – Purchase, Rate/Term Refinance & Construction to Permanent | | | | |
|---|------------------|----------------------------------|----------------------|--------------------------|
| Property Type | Maximum LTV/CLTV | Maximum Loan Amount ¹ | Minimum Credit Score | Maximum DTI ² |
| Single family (detached & attached), Condominiums, Cooperatives | 97%/105% | \$1,250,000 | 620 | 50% |
| | 95%/105% | \$1,500,000 | 680 | 45% |
| Manufactured Housing | 97%/105% | \$766,550 | 620 | 50% |
| 2 units | 95%/105% | \$981,500 | 620 | 50% |
| 3 units | 95%/105% | \$1,186,350 | 700 | 45% |
| 4 units | 95%/105% | \$1,474,400 | 700 | 45% |

¹ Maximum loan amount for 2 – 4 units is \$1,474,400.

² Enact utilizes the DTI excluding the mortgage insurance for pricing purposes, the total DTI including mortgage insurance is used for guideline eligibility.

| | |
|--|---|
| HFA Preferred or HomeReady | Follow Fannie Mae's published program guidelines for manually underwritten HFA Preferred or HomeReady loans |
| Home Possible or HFA Advantage Mortgages | Follow Freddie Mac's published Home Possible or HFA Advantage program guidelines for manual underwriting |

For loans other than HomeReady, HFA Preferred or Home Possible or HFA Advantage that are eligible through an HFA program, follow the LTV/Loan Limit/Score eligibility grid above and the remaining guidelines below.

| | |
|--------------------------------------|---|
| Documentation | <ul style="list-style-type: none">Full documentation for credit, income, employment and assets |
| Minimum Borrower Contribution | <ul style="list-style-type: none">1 unit & DTI < 45%: 1% minimum borrower contribution.1 unit & DTI > 45%: 3% minimum borrower contribution. <p>Notes:</p> <ul style="list-style-type: none">Borrower's minimum contribution can be met by acceptable sources per GSE guidelines, including personal gifts, gifts of equity, donations from entities, funds from employer assistance programs and Community Seconds®/Affordable Seconds®.Sweat Equity is permitted per GSE standard guidelines. <ul style="list-style-type: none">2 - 4 units: Minimum 3% from borrower own funds. |
| Subordinate Financing | <ul style="list-style-type: none">Subordinate financing must meet Fannie Mae's Community Seconds or Freddie Mac's Affordable Seconds guidelines |
| Reserves | <ul style="list-style-type: none">Purchase, 1-unit: 2 months2 – 4 units: 6 months |
| Loan Type | <ul style="list-style-type: none">Fixed rate/fixed paymentFully amortizing ARMs, with initial adjustments ≥ 1 yearTemporary buydownsBalloons |
| Valid Credit Score | <ul style="list-style-type: none">Minimum of three (3) tradelines / credit references, open or closed, that have been evaluated at least 12 monthsCredit references may be a combination of tradelines, traditional or nontraditional creditAt least one borrower on the loan must have a valid credit score. See section 7.5 of Underwriting Guidelines. |
| Nontraditional Credit | <ul style="list-style-type: none">Loans receiving a DU Approve/Ineligible recommendation or Loan Product Advisor Accept/Ineligible risk classification must be manually underwritten to the Nontraditional Credit Guidelines in section 4.9 of the <i>Underwriting Guidelines</i>. |
| Standard Guidelines | <ul style="list-style-type: none">Applies to loans that are not eligible for Simply Underwrite, including manually underwritten loans without a GSE automated underwriting system recommendation/risk classificationMay be underwritten as delegated, as allowed, or submitted for Enact underwritingMust meet the underwriting criteria found within our Underwriting Guidelines |

This summary is intended for reference only and is subject to the complete terms and conditions of Enact's *Underwriting Guidelines* at [EnactMI.com](#). In case of differences with this document, the *Underwriting Guidelines* will govern.

00885.0124

Enact mortgage insurers include Enact Mortgage Insurance Corporation and Enact Mortgage Insurance Corporation of North Carolina.
©2024 Enact Holdings, Inc. All rights reserved.