

## MGIC Guidelines for the Home Affordable Foreclosure Alternatives (HAFA) Program

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The loan must meet MGIC's Delegated Guidelines for short sales in order to proceed without MGIC's prior approval. Loans that do not meet Delegated Guidelines may still be considered a short sale candidate, but only after a full financial review by MGIC. To help better understand how MGIC's Delegated Guidelines and nondelegated requirements for short sales work with HAFA, see below:

	Short Sale Scenarios	Processes for Completion
1	Short sale complies with HAFA guidelines and MGIC Delegated Guidelines for short sales.	Short sale can be pursued under MGIC delegated authority and will qualify for the HAFA program.
2	Short sale complies with HAFA guidelines, but not MGIC Delegated Guidelines for short sales.	<p>Loan must be submitted to MGIC with full financial information for our review.</p> <p>After review, if MGIC approves the loan as a short sale candidate, there are two possible outcomes:</p> <ul style="list-style-type: none"> <li>• MGIC determines that <b>no borrower contribution</b> is required. <ul style="list-style-type: none"> <li>- The short sale may qualify for HAFA.</li> </ul> </li> <li>OR</li> <li>• MGIC determines that a <b>borrower contribution is required</b>. <ul style="list-style-type: none"> <li>- The short sale may <u>not</u> qualify for HAFA.</li> </ul> </li> </ul>