



Genworth will use the DTI, Excluding MI Premium, for Pricing

We've heard that there's confusion around including the MI premium in the DTI submitted to us for pricing and eligibility. Beginning with **MI Applications received on or after October 22, 2018**, Genworth will begin utilizing the DTI (Excluding MI Premium) for pricing, while maintaining our use of Total DTI for eligibility.

And the best news, we're going to make it easy... you won't have to do anything different regarding DTI and other data you submit to us. We will determine whether the DTI adjuster applies based on the information you provide.

- For MI eligibility, we will continue to use the total DTI that you provide to us today – following the industry standard
- For pricing, Genworth will determine whether the adjuster for DTI applies using the information provided in your request. In order to calculate DTI (Excluding MI Premium) and determine whether the DTI adjuster applies, we will be updating some of our systems in early December. In the interim, we will estimate the DTI (Excluding MI Premium). In either case, this may result in your borrower receiving a more favorable MI Rate and lower MI Premium.

Please see the following page for an example.

Continued

	Current Process: Total DTI for Pricing and Eligibility (Results in higher MI Rate)	New Process: DTI (Excluding MI Premium)* (Results in lower rate and lower Total DTI)
P&I	\$529.91	\$529.91
Taxes/Hazard	\$100.00	\$100.00
MI Rate	0.96%	0.78%
MI Premium	\$80.00	\$65.00
PITI for MI Pricing	\$709.91	\$629.91
PITI for MI Eligibility	\$709.91	\$694.91
Income	\$1,535.00	\$1,535.00
DTI for MI Pricing	46.25%	41.03%
DTI for MI Eligibility	46.25%	45.27%
Total Annual PITI w/ MI	\$8,518.92	\$8,338.92
Annual MI Savings		\$180.00

Calculations based on 95% LTV, 700 Credit Score, 25% Coverage, \$100,000 Loan Amount at a 4.875% Interest Rate

*Effective 10.22.18 – as estimated by Genworth

Just enter the Total DTI and data as you always have, and we will handle the rest!

Contact your Genworth Sales Representative or the ActionCenter® at 800 444.5664 with any questions.