

# MI Decision Tips

## 2nd Quarter 2019

Genworth’s Risk Quality Assurance team creates this report to help underwriters to submit quality originations. Each quarter, you can use this report to discover the most frequently made MI decision errors and learn how to avoid them. You’ll find excerpts from the associated underwriting guidelines along with corrective actions for each – including relevant examples when appropriate. Loans requiring an exception to Genworth published guidelines must be sent in for a Genworth underwrite.

Assets – Analyzing the Borrower’s Assets		
Decision Error	Underwriting Guideline	Corrective Action
<p><b>Assets Not Documented as Required by Program or AUS Guidelines</b></p> <p><b>Source of Funds not Adequately or Properly Documented for Large Deposits</b></p>	<p><b>Genworth Section 4.1 Simply Underwrite Eligibility</b> Follow documentation required by DU and Loan Product Advisor. Additional documentation may be warranted to support the underwriting decision.</p> <p><b>Genworth Standard Guidelines Section 7.10 Assets and Liabilities</b> Genworth will accept the following GSE standard underwriting guidelines for asset and liability assessment. Our policy is to:</p> <ul style="list-style-type: none"> <li>• Follow Fannie Mae’s guidelines when Fannie Mae is the investor or the Fannie Mae Selling Guide is your standard guideline set</li> <li>• Follow Freddie Mac’s guidelines when Freddie Mac is the investor or the Freddie Mac Seller Guide is your standard guideline set</li> <li>• Follow the least restrictive of the agencies guidelines for all other situations, unless a specific GSE’s guideline is noted to follow for all others.</li> </ul>	<p>Underwriter must ensure Genworth, AUS and Investor documentation requirements have been met for verification and documentation of assets. AUS assumes any assets required will be verified and documented in file.</p> <p><b>Example 1:</b> Missing documentation to evidence source of a large deposit in the amount of \$6,500.00.</p> <p><b>Example 2:</b> Missing all pages to bank statements or missing second month statement if required.</p>

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