

Underwriting Requirements for Loans with DTIs Exceeding 45%

We are concerned with the recent increase of loans that have debt-to-income (DTI) ratios exceeding 45%, particularly when combined with weaker credit profiles.

As a result, effective with mortgage insurance applications received on or after March 1, **we will insure loans with DTIs exceeding 45% only when the Representative Credit Score is 700 or greater.**

This change applies to loans with an Agency automated underwriting system (AUS) response. Our non-Agency Underwriting Requirements currently do not allow DTIs exceeding 45%.

We will continue to monitor this development and evaluate the need for further changes.

We'll post our updated Underwriting Guide and underwriting summaries with these changes on or before March 1.

For loans with a valid DU[®] Approve or Loan Product Advisor Accept[®] response, refer to our [Underwriting Guide](#) Section 2 for complete requirements. For all other loans, including HARP[®] and Non-HARP Refi-to-Mod (RTM) loans, refer to Section 3.

Questions?

For more information:

- Contact your MGIC representative, mgic.com/contact; customer_service@mgic.com; or 1-800-424-6442
- See our Underwriting Guide, mgic.com/guides

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