

ANNOUNCEMENT

Underwriting Requirements For Loans With Debt-to-Income (DTI) Ratios >45% Effective: March 12, 2018

GIVEN THE RECENT INCREASE IN LOANS WITH DTI RATIOS EXCEEDING 45% AND ADDITIONAL LAYERS OF CREDIT RISK WITHIN THIS SEGMENT, ESSENT IS IMPLEMENTING A MIN. 700 FICO SCORE REQUIREMENT FOR LOANS WITH A >45% DTI RATIO.

This change applies to our Clear2Close[®] and Affordable Housing/HFA Guideline Summaries for loans with a valid DU[®]/Loan Product Advisor[®] response, as these are the only guidelines where loans with a DTI ratio >45% are permitted. We will continue to monitor this segment closely and evaluate the need for additional updates.

This guideline change will be effective for mortgage insurance (MI) applications received on or after March 12, 2018. The updated Underwriting Guideline Manual and impacted Guideline Summaries will be available in Rates & Guidelines at essent.us on March 12.

If you have any questions regarding these changes, please contact your [EsSENT account manager](#).

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