

Lenders Mortgage Insurance Underwriting Guidelines bulletin

Summary of changes effective 19 July 2021

The following sections have been updated:

- **Section 2**
 - Simplification of Product Loan and LVR Matrix.
- **Section 3.4**
 - Rewording and clarification of eligible guarantors for a Family Pledge product as a parent, child or sibling of the borrower.
- **Section 4.1**
 - Clarification that Australian citizens who are expatriate are acceptable borrowers.
- **Section 4.3**
 - Clarification that temporary visa holders and non-residents are unacceptable borrowers unless a spouse or de facto partner of an Australian citizen or an Australian or New Zealand permanent resident located in Australia or New Zealand.
- **Section 5.1**
 - Addition of Controlled Funds loan purpose to Acceptable loan purpose matrix.
- **Section 5.2.2**
 - Clarification of the cost price of construction definition as purchase price of the land plus building costs as per the tender.
- **Section 6**
 - Clarification and reformat of Employment and Income section.
- **Section 7**
 - Addition of Debt to Income (DTI) calculation and appetites.
- **Section 8.1**
 - Clarification that lease and tenancy ledger or bank statement are required to be held on file by Lender when relying on rental payment history to support genuine savings.
 - Clarification of applicable LVR requirements for genuine saving for each product.

- **Section 8.2**
 - Clarification that gifts are to be received from an Immediate Family Member and that gifts received from a non-Immediate Family member are not acceptable to Genworth.
 - Addition of requirement for evidence to be held on file of the gift having been received by the borrower.
- **Section 9.2**
 - Addition of Community title requirements for SA and WA.
- **Section 9.3.1**
 - Clarification that the value of vacant land will be relied upon excluding sheds or auxiliary improvements.
- **Section 9.3.3**
 - Clarification of definition of high-density apartment / units.
- **Section 14**
 - Clarification of requirement to resubmit for assessment if any information including financial position or income and expenses changes from initial position.
- **Section 16**
 - Clarification of variations required to be sent to Genworth for advisement / assessment.
- **Section 16.2.4 and 16.2.5**
 - Clarification of requirement for arm's length contract of sale or valuation report for outgoing security.
- **Section 17**
 - Addition of 'Immediate Family Member' to glossary.
 - Clarification to the definition of Expatriate.