

Announcing temporary underwriting flexibilities for borrowers with existing mortgage loans

In support of the temporary flexibilities and requirements announced recently by the GSEs, we align with:

- The GSEs' May 19 eligibility flexibilities for new loans to borrowers in COVID-19 forbearance on an existing mortgage, under the circumstances listed below, effective immediately
- The GSEs' May 19 requirements that lenders continue to review borrowers' credit reports and apply due diligence for each mortgage loan on which the borrower is obligated, effective immediately
- The temporary policies the GSEs announced May 28 requiring that lenders obtain additional documentation supporting self-employment income, effective for loans with application dates on or after June 11, 2020

These temporary MGIC policies also apply to non-GSE loans we insure. They will expire when the GSEs' temporary policies expire. We will not be updating our Underwriting Guide to reflect these temporary changes.

Recent GSE announcements

- [Fannie Mae Lender Letter \(LL-2020-03\) – Updated May 19 and May 28, 2020](#) | *Impact of COVID-19 on Originations*
- [Freddie Mac Bulletin 2020-17 – Announced May 19, reissued May 22, 2020](#) | *Selling Guidance Related to COVID-19*
- [Freddie Mac Bulletin 2020-19 – Announced May 28, 2020](#) | *Selling Guidance Related to COVID-19*

New loans to borrowers with existing mortgages – eligibility for MGIC mortgage insurance

A new loan to a borrower who entered COVID-19 forbearance on an existing mortgage will be eligible for MGIC mortgage insurance under these circumstances:

- The new loan must meet all temporary GSE eligibility and documentation requirements
- If the new loan is not eligible for delivery to the GSEs:
 - The existing loan must be insured by MGIC (See below for how to verify a loan is insured by MGIC)
 - The new loan must be a purchase or rate-term refinance of a primary residence. In alignment with the GSEs' temporary policies, where proceeds of the transaction are used to bring the existing loan current, we'll consider the transaction a rate-term refinance
- This policy is not applicable to MGIC's High LTV Refinance Option/Enhanced Relief Refinance loans

How to verify a loan is insured by MGIC

If you have the MGIC certificate number for an existing loan, you can look up whether it is insured by MGIC in our Loan Center. Otherwise, please contact Customer Service with the borrower's name and the property address.

For more information

- Contact your MGIC representative, [mgic.com/contact](https://www.mgic.com/contact)
- Contact Customer Service, customer_service@mgic.com or 1-800-424-6442
- See our Underwriting Guide, [mgic.com/guides](https://www.mgic.com/guides)
- Review all MGIC COVID-19 updates, [mgic.com/coronavirus](https://www.mgic.com/coronavirus)