



## Radian Announcement

### eBulletin #2020-12 | December 7, 2020

## Radian Announces COVID-19 Updates, Alignment with Timeline Extensions, Underwriting Guideline Changes, and Reporting Updates

### Purchase and Rate/Term Refinance Eligibility Requirements for Borrowers

Effective immediately, Radian is revising our temporary eligibility requirements for GSE and non-GSE loans to align with the GSEs' temporary mortgage obligation policy as announced in Fannie Mae's [Lender Letter LL-2020-03](#) and Freddie Mac's [Bulletin 2020-17](#).

- Purchase and Rate/Term Refinance transactions for borrowers who have resolved missed payments through a loss mitigation solution and have made a minimum of three timely payments, are eligible for mortgage insurance (MI).
- Purchase and Rate/Term Refinance transactions continue to be eligible for MI for borrowers who have not missed payments and whose payments are current as of the note date of the new transaction or for borrowers who have resolved the missed payments through a reinstatement.

### Extension of Rescission Relief Eligibility for Loans in COVID-19 Forbearance Plans

Radian is extending our temporary Rescission Relief policy for loans that enter a COVID-19 forbearance plan through March 31, 2021. When evaluating payments for the purpose of validating rescission relief, missed payments during forbearance are not counted towards or against the payment history test, and we will exclude from consideration payments that were due during a COVID-19 forbearance plan if the plan resulted in the loan being brought current through a Reinstatement, Repayment Plan, Payment Deferral or Loan Modification.

### Extension of Temporary GSE Policies

Radian is aligned with the recent [FHFA foreclosure moratorium](#) extension for GSE loans through January 31, 2021 and the GSE announcements of temporary policy extensions listed below:

Fannie Mae	Freddie Mac
Impact of COVID-19 on Originations: <a href="#">Lender Letter LL-2020-03</a> (Updated 10/19/2020 and 11/13/2020)	Extension of the Effective Dates for the Purchase of Mortgages in COVID-19-Related Forbearance: <a href="#">Bulletin 2020-41</a> (Issued 10/21/2020)
Impact of COVID-19 on Appraisals: <a href="#">Lender Letter LL-2020-04</a> (Updated 10/19/2020 and 11/13/2020)	Selling Guidance Related to COVID-19: <a href="#">Bulletin 2020-44</a> (Issued 11/13/2020)
Selling Loans in Forbearance Due to COVID-19: <a href="#">Lender Letter LL-2020-06</a> (Updated 10/21/2020 and 11/13/2020)	



## Updates to Radian's Underwriting Guidelines

The following are highlights of updates to our Underwriting Guidelines for all MI applications submitted on or after December 14, 2020.

- Manual Underwrite:
  - Aligned minimum borrower contribution for second home purchases with 5% GSE requirements
  - Renovation loans for 1-2-unit primary residences will be permitted up to a \$1,000,000 maximum loan amount and second homes will be permitted up to a \$650,000 maximum loan amount
- On November 24, 2020 the **Federal Housing Finance Agency** announced increases to the maximum conforming and high-cost loan amounts for 1-to 4-unit properties, effective for loans acquired by Fannie Mae and Freddie Mac in 2021. Radian will align with these loan limit increases except as follows:
  - For our published One Underwrite (AUS)<sup>®</sup> guidelines, Radian will increase the maximum loan amount for 3-unit properties to \$848,500 and 4-units to \$1,054,500.
  - For our published Manual Underwriting guidelines, Radian will increase the 3-to 4-unit maximum loan amount to \$848,500.
- Radian's systems will be updated to reflect these changes on December 14, 2020. Please direct Rate Quotes and MI Applications that receive an ineligible response from Radian systems due to the 2021 loan limit increase as follows:
  - For Rate Quotes and delegated MI Applications, please contact [customercare@radian.com](mailto:customercare@radian.com).
  - For non-delegated MI Applications, please contact [customer.help@radian.com](mailto:customer.help@radian.com).

## Update to Payment Deferral Reporting

When submitting files or reports to Radian for loans in a Payment Deferral workout, please include the interest bearing unpaid principal balance and the deferred balance in the Current Principal Balance field.

For more information regarding all updates, please refer to Radian's updated Interim Underwriting Guidance, Eligibility Matrices and Underwriting Guidelines, Interim Servicing Guidance, and Covid-19 FAQs, which will be available on our website on December 14, 2020.

Visit [www.radian.com/covid-19](http://www.radian.com/covid-19) to stay up to date on changes related to COVID-19's impact on Radian's programs and policies.

## Questions?

Radian Customer Care: 877.RADIAN1 (723.4261) | Contact your **Radian Account Manager**. **Visit our website** to view all **Radian eBulletins**.

*Thank you for your continued partnership as we strive to promote and preserve the American dream of homeownership.*

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