

Through our Refi-to-Mod Program, MGIC supports the U.S. Department of the Treasury's *Home Affordable Refinance Program*.

Our Refi-to-Mod Program (RTM) is available for MGIC-insured loans with standard primary coverage being refinanced under Fannie Mae's *Home Affordable Refinance Program*, Freddie Mac's *Relief Refinance Program* and other similar programs.

RTM is designed for homeowners whose loans are current, but who are unable to refinance because the property value has declined or the loan doesn't meet other current published guidelines. Under RTM, *MGIC modifies mortgage insurance already in place*, providing these homeowners enhanced flexibility to refinance.

### Changes to MGIC's Existing Refi-to-Mod Program

Effective Monday, April 6, 2009, changes to our RTM program will:

- better align with Fannie Mae's and Freddie Mac's programs (changes highlighted in **blue** in the Program Requirements table below); and
- align the RTM submission process with our familiar, 3-step submission process for new MI business (changes highlighted in **green**):
  1. Insured/Servicer faxes a Refi-to-Mod Request and the 1003 and 1008 to its local MGIC Underwriting Service Center. (We are developing processes that will allow us to use all of our origination channels for this business and will announce those options when they are available.)
  2. MGIC issues a Modification Commitment/Certificate, which expires in 120 days.
  3. The modification is activated:
    - a. by faxing the Modification Activation Notice; OR
    - b. by mailing in the Modification Activation Notice along with any premium due; OR
    - c. through The Loan Center or MGIC/Link; OR
    - d. using a Loan Boarding transaction direct from the servicing system, if available from the servicing system provider

### Refi-to-Mod Resources

Contact your MGIC Account Manager with questions about MGIC's Refi-to-Mod program, or use these links to find more information:

- [Refi-to-Mod Program Requirements](#)
- [Refi-to-Mod Request](#)
- [Refi-to-Mod Q & A](#)

(continued)

	<b>MGIC's Refi-to-Mod Program Requirements Lender – Refinance / MGIC – Loan Modification</b>
Insured/Servicer	Refi-to-Mod requests must come from the Insured/Servicer of the Original Loan
Borrower Benefit	The borrower's sustainable ability to repay the loan must be improved through either a lower payment or a more stable loan instrument.
Borrower	Cannot change from Original Loan. Changes due to marriage, divorce or death will be evaluated on an individual loan basis.
Refinance Loan Type	Fully amortizing FRM or ARM with a minimum of 5 years before the first rate change. Interest-only loans require a minimum I/O period of 10 years.
Costs Added to Refinance Loan	Reasonable and customary closing costs, financing and prepaids are allowed, but may not exceed 4% of the Refinance Loan or \$5,000, whichever is lower.
Cash Back	The borrower cannot receive cash back at closing. Cash back as identified on the HUD-1 must be applied as a principal curtailment to the Refinance Loan.
Mortgage Pay History	Must be current
Coverage Percentage	No change to the coverage from the Original Loan
Premium Rate	No change to the premium rate from the Original Loan
Property	Cannot change from the Original Loan
Occupancy	Cannot change from the origination of the Original Loan
Property Value	Current property value is not considered. MGIC continues to rely on the property value represented on the Original Loan.
Documentation Required*	<ul style="list-style-type: none"> <li>• MGIC's Refi-to-Mod Request Form</li> <li>• New 1003/65 and 1008/1077</li> </ul>
Submissions	<ul style="list-style-type: none"> <li>• Fax the above documentation to your MGIC UW Service Center.</li> <li>• To find your MGIC Underwriting Service Center fax number, visit our <a href="#">Sales and Underwriting Directory</a> on <a href="http://www.mgic.com">www.mgic.com</a>.</li> </ul>

\*The Insured is required to have and maintain all information relating to the origination and servicing of the Original Loan, which must be provided to the Company, if requested under the Master Policy. In addition, MGIC relies upon the Insured/Servicer's representation that the Refinance Loan complies with the program requirements above.