

## MGIC Announces New Guidelines for Delegated Authority for Short Sales

MGIC offers servicers the authority to approve or complete short sales that meet our Guidelines for Delegated Authority. Short sales that do not meet Delegated Guidelines must be submitted to MGIC for prior approval.

Delegated Guidelines apply to loans with primary coverage and/or supplemental (pool or second layer) coverage. MGIC offers delegated authority to help streamline your default servicing processes.

### New Delegated Guidelines for Short Sales, effective April 8, 2010

MGIC allows you to perform short sales without prior approval under these conditions:

- The loan meets MGIC's [Delegated Guidelines for Short Sales](#), and
- An analysis of the borrowers' financial situation indicates:
  - monthly cash flow is less than or equal to \$200;
  - short-term savings is less than the equivalent of 3 full mortgage payments (including escrow);
  - long-term savings is less than or equal to \$50,000.

If the results of the financial analysis exceed any of these limits, [Delegated Guidelines](#) do not apply, and the short sale must be submitted to MGIC for prior approval.

*MGIC reserves the right to revoke this delegation on notice.*

### Home Affordable Foreclosure Alternatives Program (HAFA)

MGIC delegates authority under HAFA if the short sale complies with MGIC's new delegated short sale guidelines.

### For more information

Contact MGIC Customer Service with questions, [customer\\_service@mgic.com](mailto:customer_service@mgic.com) or 1-800-424-6442.

See our [MGIC/Link Servicing features flyer](#). To sign up for MGIC/Link Servicing, go to [www.mgic.com/signup](http://www.mgic.com/signup).