

## Rescission Relief and Payment Deferral Program Updates

### Rescission Relief and Loans in COVID-19 Forbearance Plans

On May 1, we published temporary guidance related to loans in COVID-19 forbearance plans. With this bulletin, we are updating the timeframe to include loans that enter a COVID-19 forbearance plan from March 1, 2020, to December 31, 2020 (extended from June 20, 2020). All other guidelines published in [Bulletin #02-2020](#) remain the same.

### MGIC's Non-GSE P&I Payment Deferral Program

We are updating our P&I Payment Deferral program to allow up to **12** months of deferred P&I payments. All other program terms remain the same.

#### *Eligibility:*

- Non-GSE loan
- Borrower is/was current prior to the COVID-19 hardship
- At the time of Deferment, borrower may be current or up to **12** months in default
- Borrower attestation of financial hardship due to COVID-19

#### *Terms:*

- Defer up to **12** months of P&I payments as a non-interest-bearing balance
- May be recouped in a lump sum (balloon) or by extending the term up to **12** months
- Deferred P&I must remain as part of the original mortgage, and not subordinated to a 2<sup>nd</sup> lien
- In the event of a valid claim, the deferred P&I portion will be covered with no additional interest

#### *Documentation:*

Servicers should retain the following documentation as it may be required at the time of claim:

- Servicer records documenting the borrower's COVID-19 hardship
- Confirmation that the borrower was informed of the revised mortgage terms

### GSE Disaster Payment Deferral Program

We affirm our alignment with the GSE's new Disaster Payment Deferral program. This applies to all loans, both GSE and non-GSE loans. Servicers should follow the guidelines outlined in the following publications:

Fannie Mae's July 15, 2020, [Lender Letter \(LL-2020-11\)](#)

Freddie Mac's July 15, 2020, [Bulletin 2020-28](#)

### Questions?

Contact your [MGIC Servicing Relationship Manager](#) or our Customer Service team at [customer\\_service@mgic.com](mailto:customer_service@mgic.com) or 1-800-424-6442.