



Frequently Asked Questions for Servicers

Mortgage Servicers supporting borrowers impacted by COVID-19 may have questions regarding our policies on default reporting and borrower workout programs. To help you, we created this quick reference Q&A for Servicers.

If you have any questions that are not included in this Q&A, please reference our [COVID-19 webpage](#) or our [Servicing Guide](#).

Additionally, your [Servicing Relationship Manager](#) is always available to help you with all your servicing questions.

1. Does MGIC align with Fannie Mae and Freddie Mac’s Forbearance, Payment Deferral and Loan Modification programs?

Yes, we align with the GSEs’ workout waterfall for all GSE-insured loans.

2. What borrower workout programs do you allow on my non-GSE loans?

You may follow the GSE borrower workout waterfall for all loans, including your non-GSE loans. We also recently announced a new Deferred Payment Delegation program for non-GSE borrowers. You may defer up to 6 P&I payments for borrowers who are current or were current prior to a COVID-19 hardship.

See our [April 21 Servicing Bulletin](#) for information on the eligibility, terms, documentation and reporting requirements.

3. Can you clarify what you mean by “verbal attestation of hardship” as it pertains to your Deferred Payment Delegation program for non-GSE loans?

In alignment with current industry guidelines for borrowers impacted by COVID-19, we are not requiring Servicers to collect traditional hardship documentation; rather, borrowers can attest to their COVID-19 hardship in the same manner they use to communicate with Servicers, i.e., phone, email, online portal, etc.

4. Do you require reporting for a payment deferral?

Yes, after implementing a delegated deferred payment plan, whether under the GSE-deferred payment program or MGIC’s Deferred Payment Delegation, you should report these to MGIC. You may use the updated MILAR-32 or MILAR-169 reporting method, or our new [Deferred Payment Reporting template](#).

5. Do you have other borrower workout options?

Yes, [Section 9](#) and [Section 10](#) of our Servicing Guide outline all of our standard delegated loan workout guidelines, reporting requirements and how to request approval for workouts outside of delegation.

6. How long is the foreclosure moratorium?

The foreclosure moratorium implemented on March 18 has been extended until June 30, 2020. Some municipalities or states may have longer moratoriums.

7. When am I required to report a loan default?

Defaults must be reported when a loan becomes two consecutive payments past due. You should file the Notice of Default no later than the 25th day of the month. COVID-19 defaults should be reported using Reason for Default Code 12 “National Emergency Declaration.”

8. How do I file a Notice of Default?

There are several options for filing a Notice of Default:

- Automated Default Reporting (ADR)
- MGIC/Link Servicing
- Secure File Transfer (SFT), select Claims Query
- Secure email to claimsquery@mgic.com

9. What updates have been made to your Default Reporting?

In alignment with the industry, we updated our Default Reporting templates to enable lenders to identify mortgage loans where a borrower has experienced a hardship associated with COVID-19. As part of this effort, we have followed the lead of the GSEs with repurposing existing Reason for Default (RFD) code values. See our [April 21 Servicing Bulletin](#) for more details.

10. When do I report a loan that has been brought current?

Continue to report cures in the manner that you have been. Report a loan current during the month following receipt of all past due amounts.

11. Do I report a loan in default that is on a forbearance plan?

Yes. A loan on a forbearance plan, in which the borrower has missed two consecutive payments, is considered a default and should be reported. All COVID-19 defaults should be reported using Reason for Default Code 12 “National Emergency Declaration.”

12. Do you require specific forms or reporting for a delegated forbearance or repayment plan?

We don’t require specific forms or reporting for forbearance or repayment plans that fall within your delegated guidelines. Remember, we DO require default reporting for all COVID-19 defaults using Reason for Default Code 12 “National Emergency Declaration.”

13. Does MGIC have to approve a loan modification?

No, you don’t need to obtain our prior approval if the modification falls within delegated guidelines. However, all loan modifications should be reported to us within 30 days of the date the permanent modification is effective. If the loan modification falls outside of our delegated guidelines, send it to us for review. See our Servicing Guide [Section 9.02](#).

14. How do I report a loan modification?

See our Servicing Guide [Section 9.03.01](#) Reporting Individual Modifications and [Section 9.03.02](#) Reporting Multiple Modifications.

Submit Individual Modifications via the following options:

- MGIC/Link Servicing – select loan modification in the main menu
- Submit a Notice of Loan Modification form:
 - Secure File Transfer (SFT) – Select Loan Modifications
 - Secure email to loanmodrequests@mgic.com

For Multiple Modifications, submit a Loan Modification Submission Spreadsheet or MILAR-169 via the following options:

- MGIC/Link Servicing – select loan modification in the main menu
- Secure File Transfer (SFT) – Select Loan Modifications
- Secure email to loanmodrequests@mgic.com

15. What are MGIC’s requirements of Servicers regarding loss mitigation and foreclosure?

We require you to work with the borrower to prevent and mitigate the loss. We require you to contact the borrower in compliance with GSE published guidelines. You have delegated authority to implement a Workout for both your GSE and non-GSE loans. For more information, please review our Servicing Guide [Section 9](#) and [Section 10](#).