

Enact Mortgage Insurance Disaster Bulletin

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Historically, Enact has not restricted its credit policy in areas impacted by disasters. Once the Federal Emergency Management Agency (FEMA) issues a Presidential Major Disaster Declaration for an area, Enact assesses its potential exposure in the insured portfolio using a list of impacted ZIP codes supplied by an external vendor.

Existing commitments issued on properties located in a disaster-impacted ZIP code remain eligible for mortgage insurance under the terms of the applicable Master Policy. If a property falls victim to damage caused by a disaster, prior to submission of a claim, the property would need to be brought back to the same condition as of the commitment date, less reasonable wear and tear, typically with the help of the homeowner's insurance and/or some type of disaster related insurance. Any new non-delegated commitments issued for a property located in a disaster impacted ZIP code will have the following special condition applied: *This commitment issued subject to lender certification that the condition of the property at time of insurance is same as stated on the original appraisal, less reasonable wear and tear.* Enact typically does not add this condition until receiving the FEMA Declared Disaster list as the Master Policy also covers these disaster types of situations.

Fannie Mae and Freddie Mac ("GSEs") created permanent policies for properties impacted by a disaster, which are incorporated into the Selling/Seller Guide guidelines. Enact underwriting guidelines defer to the GSE standard guidelines for properties impacted by a disaster.

Servicing

Enact's USMI Operations department works with servicers who are managing any special disaster-related policies issued by the GSEs and other investors. The GSEs have established disaster policies in their published guidelines. For all Enact insured loans, servicers are required to remain in compliance with the applicable GSE disaster policy. For non-GSE loans, servicers must remain in compliance with a GSE disaster policy. Servicers who adhere to the GSE disaster policy will be in compliance with Enact's servicing requirements.

Contact your Enact Sales Representative or the ActionCenter® at 800-444-5664 with any questions.