

## Genworth Mortgage Insurance (Genworth) Credit Policy Announcement May 6, 2020 - Bulletin 2020-06

### Genworth's Response to the GSEs' Updated Guidance Related to COVID-19

The GSEs have released updated guidance related to COVID-19. Genworth will continue to align in support of the GSEs' temporary measures and flexibilities as communicated in the updated announcements.

The GSEs' temporary policies have been extended from **May 17, 2020** and will now apply for loan applications dated on or before **June 30, 2020**. Some highlights of the recent updates are shown below, but refer to the links included for complete details of the GSEs' updates.

- **Furloughs and layoffs**
  - The requirements for income while on temporary leave do not extend to employer-initiated actions such as furloughs or layoffs, regardless of whether there is a projected "return to work" date
- **Unemployment compensation**
  - Unemployment compensation continues to be eligible for use in qualifying only when associated with seasonal employment
- **GSE Owned Mortgages**
  - Both Desktop Underwriter® and Loan Product Advisor® have been enhanced to assist Sellers with identifying if a Mortgage being refinanced is owned by Fannie Mae or Freddie Mac and thus eligible for the COVID-19 appraisal flexibilities

Effective immediately, loans may be underwritten with these flexibilities and will **apply for all Genworth insured loans: Simply Underwrite<sup>SM</sup>, Standard, and Peak Portfolio<sup>SM</sup> Guidelines.**

### Links to Updated GSE Communications Issued May 5, 2020:

[Fannie Mae Lender Letter LL-2020-03, Impact of COVID-19 on Originations](#)

[Fannie Mae Lender Letter LL-2020-04, Impact of COVID-19 on Appraisals](#)

[Freddie Mac Bulletin 2020-11 – Selling Guidance Related to COVID-19](#)

**Notes:** *Genworth's acceptance of the GSEs' announced flexibilities does not waive our rights under the Master Policy. Lenders are also responsible to ensure each loan is in compliance to its investor's guidelines.*

We will continue to monitor for any GSE updates and will issue additional guidance as appropriate. Please distribute this information to your organization. For assistance, contact your Genworth representative or the ActionCenter® at 800 444.5664. As always, we appreciate your business.

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