

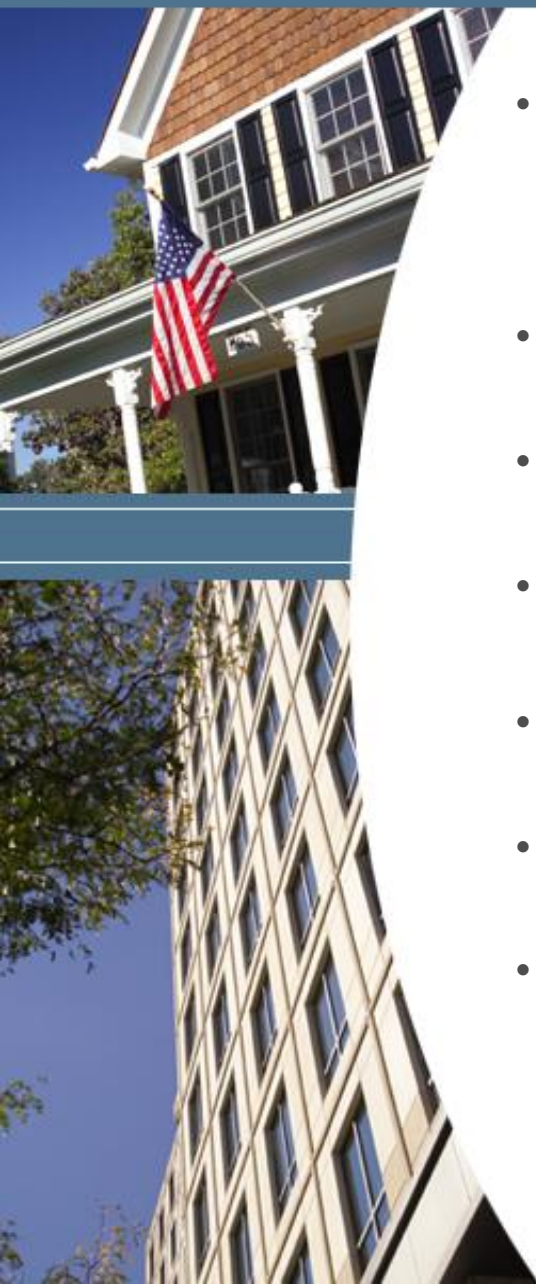


Unprecedented Attention to Servicing - Helping Borrowers in Trouble, Investor Ramifications

Mortgage Insurer's Perspective

Teresa A. Bryce, Radian Group

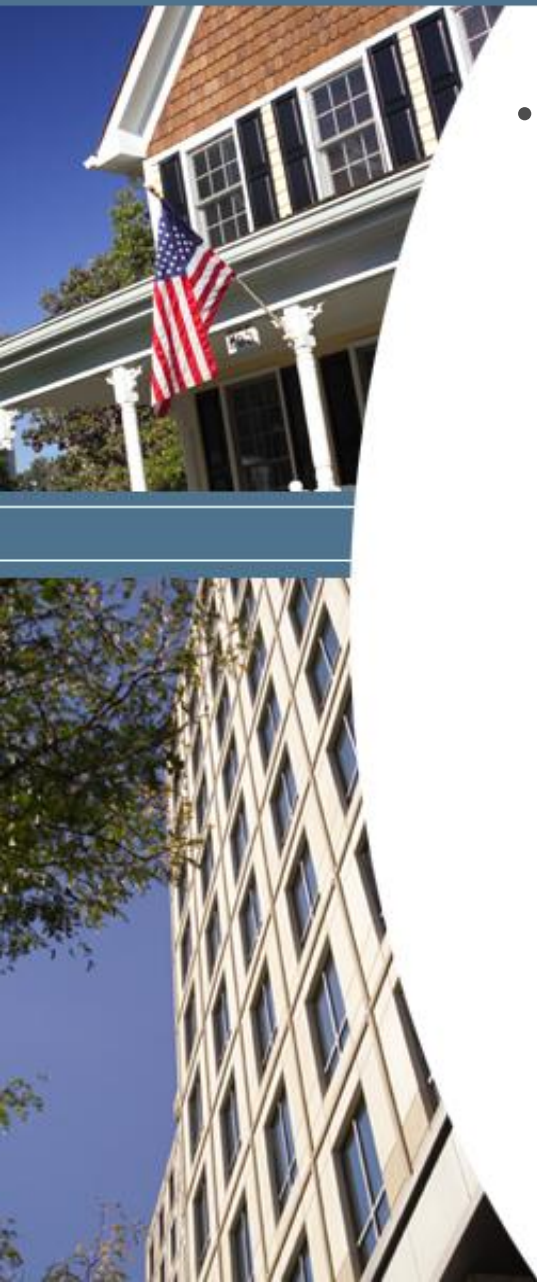
April 30, 2008



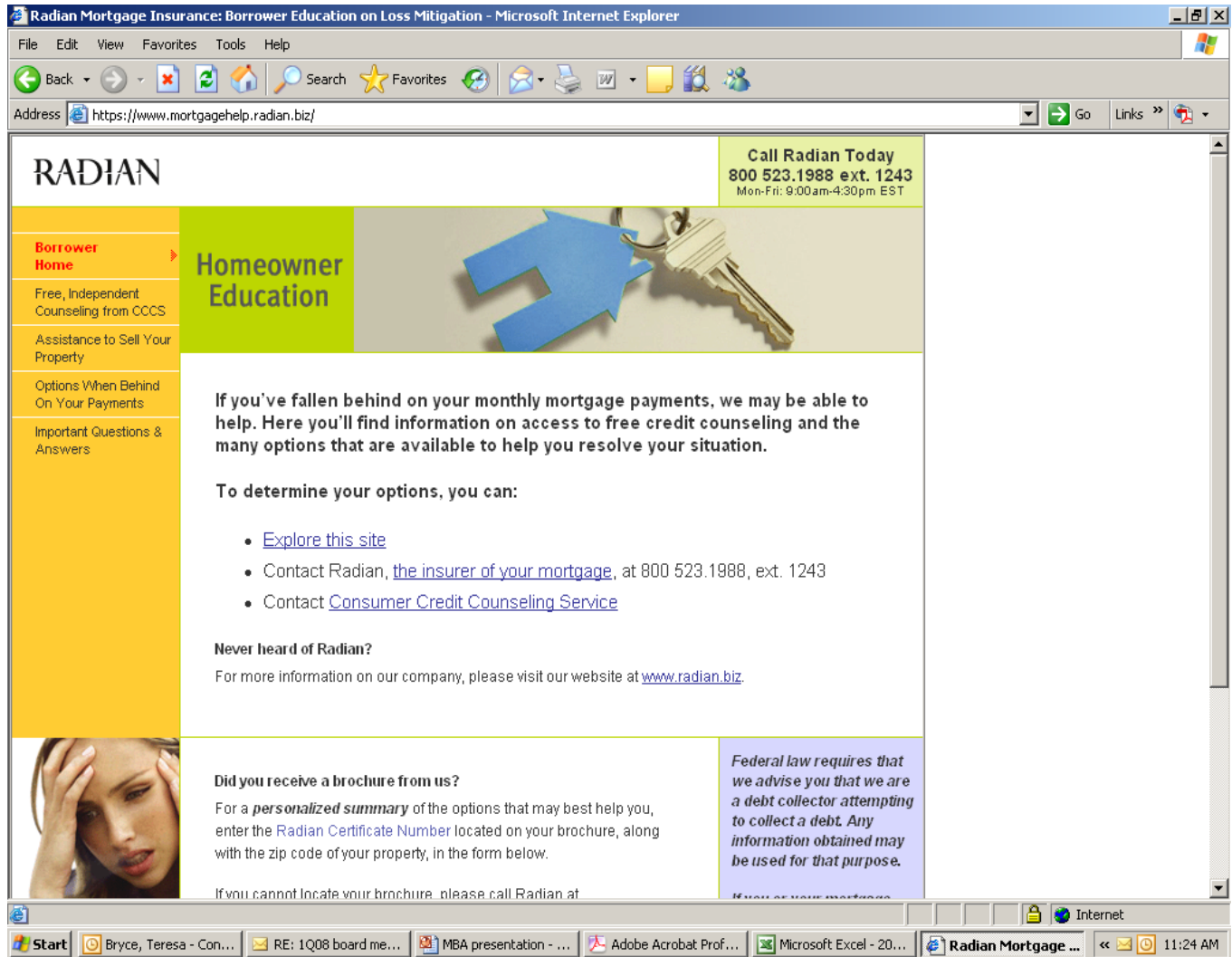
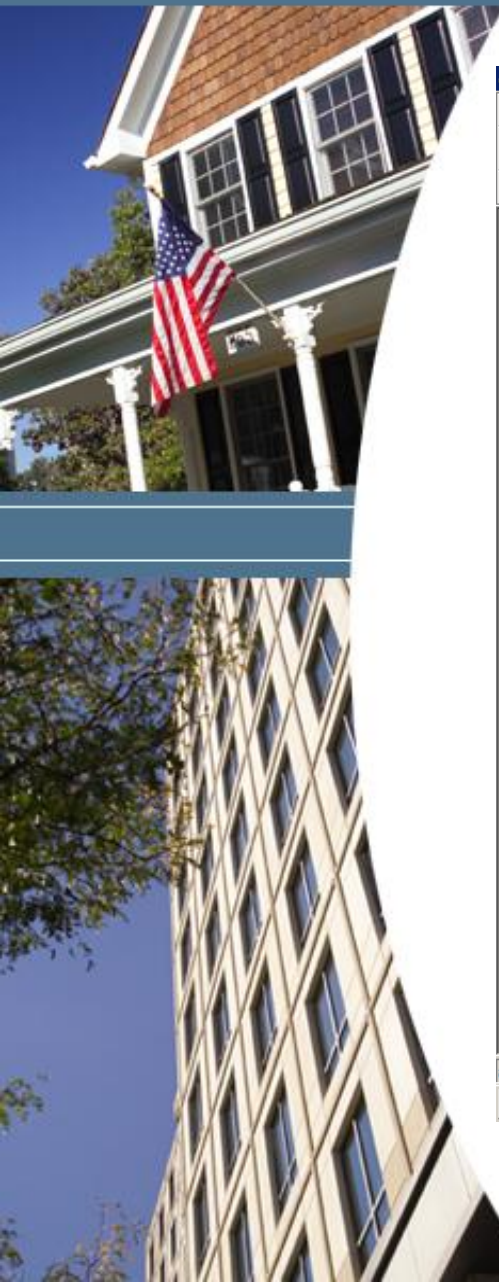
- Defaults/Claims stepped up significantly in 2007
 - » Seconds
 - » Subprime
 - » Alt A
- Subprime monolines began to go out of business, but sometimes maintained their servicing platforms
- Some servicers attempted to make claims before the claims were ripe
- Increasing number of fraud cases
 - » Lender knowledge
- Increasing number of claims where loans were not underwritten and originated in accordance with the guidelines
- Required more review and diligence of claims
 - » Increased staffing
- Continued deterioration of 2007 book prompted more aggressive tightening of guidelines by the insurers
 - » Declining markets policy

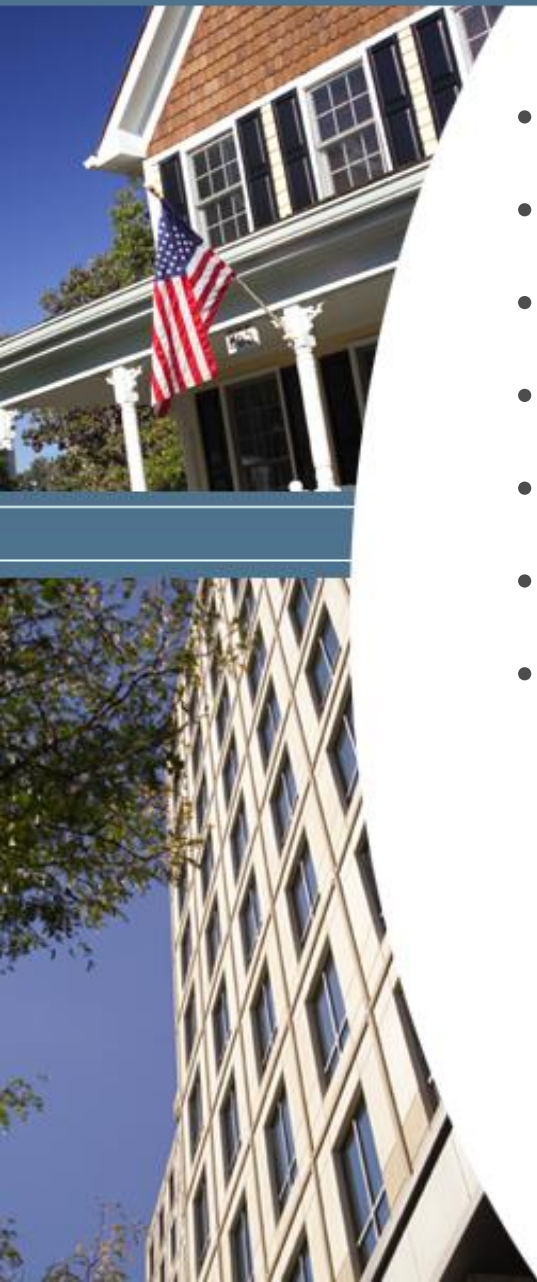


- Create new programs and initiatives to reduce losses while building Radian's image as market leader in loss management techniques. Examples include:
 - » Radian *FastAdvance*SM – advance a portion of the coverage amount to cure defaults and avoid claims
 - » On-Site Loss Mitigator – work with servicer to proactively identify, contact, negotiate, and close workouts on Radian insured loans
 - » Expanded Delegated Loan Modifications – allow our clients more autonomy in processing loan mods and other forms of mitigation activities



- Enhance borrower contact efforts by developing educational tools and generate third party partnerships to increase contact rate with borrowers to engage and educate them on possible workout opportunities. Examples include:
 - » CCCSDV - cooperative effort with Consumer Credit Counseling Service of Delaware Valley
 - » Borrower Website – educate borrowers on various loss mitigation options – www.mortgagehelp.radian.biz
 - » New Borrower Default Brochure with Incentive – redesign Loss Mitigation brochure to include an incentive



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- *FastAdvance* SM
 - CCCSDV partnership
 - On-site loss mitigators
 - On-Line self help (MI On-line)
 - Enhanced delegated loan modifications
 - Improved communication
 - Servicer scorecard

Questions