

ESSENT ANNOUNCEMENT

July 29, 2022

Re: Equifax Coding Error

Equifax recently notified us that a coding error may have affected credit scores and credit data for credit reports they issued between March 17, 2022 and April 6, 2022.

Fannie Mae and Freddie Mac have issued lender letters stating that they will not consider errors to underlying credit report data resulting from the coding error to be material. Lenders are not required to obtain updated credit reports and re-underwrite loans. Any inaccurate credit scores used at the time of underwriting will not render loans ineligible for purchase and repurchase requests will not be issued based on this incident.

Essent's Response

- **Eligibility:** We are aligned with the Agency determinations. We will not subject any impacted loans to rescission based solely on this issue. Additionally, loans with insurance-in-force and loans with active commitments will continue to be eligible for Essent mortgage insurance (MI). We will not require updated credit reports or loans to be re-underwritten.
- **Pricing Adjustments:** We understand that this coding error may have resulted in overcharges or undercharges for MI. We encourage lenders to provide us with corrected data for insurance-in-force loans or active commitments impacted by the Equifax coding error.

We will review the data and if corrected scores result in:

- **lower** MI premiums, we will make the correction and return any excess premiums.
- **higher** MI premiums, we will not make any adjustments or request additional premiums.

Lenders can submit corrected data to us via email at clientservicesmanagers@essent.us. Please reference 'Equifax Coding Error Correction' in the subject line and include the corrected borrower credit and loan representative scores, as well as the Essent MI Commitment number and borrower last name.

For more information about the Agency Selling Guide Announcements regarding the Equifax coding error, please read the following lender letters:

- [Fannie Mae LL-2022-02](#)
- [Freddie Mac Bulletin 2022-14](#)

For questions regarding our response, please contact your [Essent account manager](#).