



Eagle Re 2019-1 Ltd.

April 11, 2019

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Transaction Overview

CEDING INSURER	<ul style="list-style-type: none">✓ On April 11, 2019, Radian Guaranty, Inc., a wholly owned subsidiary of Radian Group Inc., obtained fully collateralized excess of loss reinsurance coverage on recurring premium mortgage insurance policies written during 2018.✓ The total amount of reinsurance was \$562 million.
REINSURER	<ul style="list-style-type: none">✓ For this transaction, reinsurance is provided by Eagle Re 2019-1 Ltd. (“Eagle Re”), a Bermuda-based special purpose insurer. Eagle Re is not a subsidiary or affiliate of Radian Guaranty.✓ Eagle Re has funded its reinsurance obligations by issuing four classes of mortgage insurance-linked notes that have a 10-year legal maturity with a 7-year call option in an unregistered private offering. The notes are non-recourse to Radian Group or its subsidiaries and affiliates.✓ The proceeds of the notes offering were deposited into a reinsurance trust account for the benefit of Radian Guaranty. The noteholders have a subordinated interest in the reinsurance trust account, which is the sole source of funds for repayment of principal of the notes.
TRANSACTION BENEFITS	<ul style="list-style-type: none">✓ Reduces Radian's overall cost of capital, increases capital efficiency and enhances return on capital✓ Supports rating agency and PMIERS capital✓ Transfers risk in the event of adverse development of the reinsured business✓ Mitigates income statement and balance sheet volatility through the economic cycle✓ Increases Radian's counterparty strength

Eagle Re 2019-1 Structure (EMIR)

Class	Balance	Issued Notes	% of Risk In Force	% of Credit Enhancement	Weighted Average Life (years) ⁽¹⁾	Morningstar Ratings	Spread over One Month LIBOR (bps)
A	\$9,875,786,000		92.25%	7.75%		Retained by Radian	
M-1A	\$107,054,000	\$107,054,000	1.00%	6.75%	1.45	BBB+	125
M-1B	\$176,640,000	\$176,640,000	1.65%	5.10%	2.98	BBB-	180
M-2	\$235,520,000	\$235,520,000	2.20%	2.90%	5.49	BB-	330
B-1	\$42,822,000	\$42,822,000	0.40%	2.50%	6.79	B+	450
B-2	\$267,637,101		2.50%	0.00%		Retained by Radian	
Issued Notes		\$562,036,000	5.25%		4.03		297

Key Transaction Details:

- Total Current Unpaid Principal Balance of \$42.3B and total Risk in Force (“RIF”) of \$10.7B as of January 31, 2019 (the “Cut-off Date”)
- Mortgage insurance coverage on recurring premium mortgage loans having an insurance coverage effective date in 2018
- Maturity Date: April 25, 2029
- Optional Call Date: April 25, 2026
- Credit enhancement for the Class A must build to 8.75% before the Class M-1A and subordinate tranches will amortize
- Approximately 98.1% of the mortgage loans (by RIF as of the Cut-off Date) are subject to the cancellation and termination provisions of the Homeowners Protection Act and similar GSE servicer requirements

Key Structural Details:

- Trigger Events:
 - 100% of principal is subject to triggers
 - Minimum Credit Enhancement Test: ≤ 8.75%
 - Sixty-Plus Delinquency Percentage Test: ≥ 4.00%
- No step up in coupon if 7-year optional call is not exercised
- Optional call is exercisable anytime after 7 years
- Classes A and B-2 will not be reinsured by Eagle Re at closing
- Class B-2 is subject to a minimum retained share of 50% by the Ceding Insurer and its affiliates while the Notes are outstanding, which can be maintained vertically, horizontally or with another configuration of all or any part of Class B-2

¹⁾ Expected weighted average lives with respect to the Notes are based on certain hypothetical modeling assumptions, including that (i) prepayments occur at the pricing speed of 10% CPR, (ii) no Loss Reductions occur, (iii) the Notes pay on the 25th day of each calendar month beginning in May 2019 and (iv) the Ceding Insurer exercises its option to terminate the Reinsurance Agreement on the Optional Call Date.

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