

News Release

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Radian Partners with Loan Value Group to Support Homeowners with Newly Modified Mortgages

Eligible homeowners receive cash rewards for on-time mortgage payments with Responsible Homeowner Reward Program

Philadelphia, PA, October 2, 2012 – Radian Guaranty Inc., the private mortgage insurance subsidiary of Radian Group Inc. (NYSE:RDN), today announced it will begin offering a unique program, the Responsible Homeowner Reward (RH Reward®), to encourage borrowers, who recently modified their mortgages through the U.S. Department of the Treasury’s Home Affordable Modification Program (HAMP), to remain current on their new mortgage payments. HAMP is a loan modification program designed to reduce delinquent and at-risk borrowers’ monthly mortgage payments.

Administered exclusively by Loan Value Group LLC, the RH Reward program pays cash rewards to eligible homeowners for making their mortgage payments on time. Radian selects eligible homeowners for enrollment in the program and a reward account is then established in their name that grows with each on-time mortgage payment, up to a maximum amount. The reward is paid in cash when the mortgage is refinanced or paid off and the homeowner pays nothing to participate, remaining eligible by simply making their mortgage payments on-time.

“We believe it’s important to support responsible borrowers who modified their mortgages to try to keep their homes, by recognizing their efforts to remain current on

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their payments in these difficult economic times,” said Scott Theobald, Radian’s Chief Risk Officer. “Radian is committed to sustainable homeownership and we are pleased to offer the RH Reward program to our insured homeowners.”

“Our RH Reward program, which operates in nearly all 50 states, is designed to target and reduce negative equity for nearly 12 million underwater borrowers and has the proven ability to positively influence payment behavior – lowering default rates by more than 50% since 2010,” said Frank Pallotta, a Managing Partner with Loan Value Group. “We are pleased to be partnering with Radian and admire their commitment to homeownership in the communities they serve.”

About Radian Group Inc.

Radian Group Inc. (NYSE: RDN), headquartered in Philadelphia, provides private mortgage insurance and related risk management products and services to mortgage lenders nationwide through its principal operating subsidiary, Radian Guaranty Inc. These services help promote and preserve homeownership opportunities for homebuyers, while protecting lenders from default-related losses on residential first mortgages and facilitating the sale of low-down payment mortgages in the secondary market. Additional information may be found at www.radian.biz.

About Loan Value Group LLC

Founded in 2008, Loan Value Group, LLC is a large scale, turn-key provider of private label, residential mortgage incentive strategies that positively influence consumer payment behavior on behalf of residential mortgage risk owners and servicers. Based in Rumson, New Jersey, LVG is the creator and exclusive provider of the Responsible Homeowner Reward® program, named one of the "50 Best Inventions of 2010" by TIME Magazine.

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