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National MI Completes a Year of Growth

One year after issuing its first commitments, the private mortgage insurer has signed master policies with nearly 500 lenders and gained licensing approval in all 50 states and the District of Columbia

EMERYVILLE, Calif., May 19, 2014 /PRNewswire/ -- [NMI Holdings, Inc.](#), (NASDAQ: NMIH) the parent company of National Mortgage Insurance Corporation (National MI), a U.S. based private mortgage insurance company announced today that National MI has signed master policies with 478 lenders — including six of the country's largest lenders — since the private mortgage insurer issued its first mortgage insurance commitments just over a year ago. During the same period, the company introduced a unique business model enabling it to offer groundbreaking new insurance coverage that shortened the industry standard timeframe for rescission relief from 36 months to just 12 months.



With the introduction of its National MI SafeGuard(SM) product late last year, the company is the first to deliver an innovative, cutting-edge solution for lenders that provides rescission relief after the borrower makes 12 timely payments. The company believes the underwriting and appraisal protection provided from day one gives customers greater assurance that their claims will be paid and can significantly reduce lenders' repurchase risk.

Other milestones achieved by National MI in the last year include:

- National MI entered into an agreement to insure approximately \$5.2 billion in residential mortgages in its first risk transfer transaction with Fannie Mae in September 2013. National MI was selected by Fannie Mae after a competitive bidding process
- As of April 2014, the company is licensed to write mortgage guaranty insurance in all 50 U.S. states and the District of Columbia
- National MI's holding company, NMI Holdings, Inc. began trading on the NASDAQ Global Market under the symbol "NMIH" in November 2013 after its initial public offering (IPO)
- National MI has consistently added new clients by signing master policies with nearly 500 lenders, and as of April 30, 2014, six of the country's largest lenders were submitting mortgage insurance applications to the company
- The company has expanded its operations in Emeryville, California and now employs 163

The company was founded in 2012 by President and CEO Bradley Shuster and Jay Sherwood, executive vice president and CFO of the company. The company raised gross proceeds of \$550 million in private capital in order to launch its mortgage insurance operations through National MI.

National MI received approval by Fannie Mae and Freddie Mac in January 2013 and is licensed to do business nationwide.

As the newest entrant to the business, National MI offers a fresh approach to mortgage insurance, but at the same time is positioned to deliver the expertise and stability of a seasoned company with an executive team comprised of mortgage insurance industry veterans, notes Sherwood. "National MI is well-capitalized, without the legacy risk of the older MIs. We've pioneered mortgage insurance coverage and business practices that we believe provide more beneficial terms and increased underwriting protection in a much shorter timeframe. We view the growing list of lenders with whom we work as a testament to the success of our model."

"We are leading the industry with National MI SafeGuard(SM), " Shuster said. "Long before we issued our first policy, we knew that the mortgage insurance industry was ripe for change and needed a new, more innovative approach to business. Our success so far proves that we're on the right track because we believe lenders value the differentiation we bring to the marketplace. It's also a tribute to our team and our growing list of clients, who have embraced our vision. I am very excited about the future."

About National MI

National Mortgage Insurance Corporation (National MI), a subsidiary of NMI Holdings, Inc. (NASDAQ: NMIH), is a U.S.-based,

private mortgage insurance company enabling low down payment borrowers to realize home ownership while protecting lenders and investors against losses related to a borrower's default. To learn more, please visit www.nationalmi.com.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained in this press release may constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the U.S. Private Securities Litigation Reform Act of 1995. Any statements about our expectations, beliefs, plans, predictions, forecasts, objectives, assumptions or future events or performance are not historical facts and may be forward-looking. These statements are often, but not always, made through the use of words or phrases such as "anticipate," "believes," "can," "could," "may," "predicts," "potential," "should," "will," "estimate," "plans," "projects," "continuing," "ongoing," "expects," "intends" and similar words or phrases. All forward-looking statements are only predictions and involve estimates, known and unknown risks, assumptions and uncertainties that could cause actual results to differ materially from those expressed in them. Many risks and uncertainties are inherent in our industry and markets. Others are more specific to our business and operations. These risks and uncertainties include, but are not limited to, those set forth under the heading "Risk Factors" in our most recent Registration Statement on Form S-1, and described from time to time in subsequent reports, filed with the U.S. Securities and Exchange Commission, including in our Annual Report on Form 10-K, which was filed on March 12, 2014. Any or all of our forward-looking statements in this press release may turn out to be inaccurate. Consequently, our actual results could differ materially from those anticipated in such forward-looking statements contained in this press release. Any forward-looking statement speaks only as of the date on which it is made and we undertake no obligation to update or revise any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events except as required by law.

Press Contact

Mary McGarity

[Strategic Vantage Mortgage Public Relations](mailto:MaryMcGarity@StrategicVantage.com)

(203)513-2721

MaryMcGarity@StrategicVantage.com

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