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## **National MI: Private MI Eligibility Standards a Step in the Right Direction**

### **National MI believes the GSEs' proposed requirements are critical to restoring confidence in the private mortgage insurance industry**

EMERYVILLE, Calif., July 10, 2014 /PRNewswire/ -- The Federal Housing Finance Agency (FHFA) today released for public comment the proposed Private Mortgage Insurer Eligibility Requirements. [National MI](#) CEO Bradley Shuster supports the public release of the proposed requirements.



"National MI believes that the proposed eligibility requirements for private mortgage insurers will go a long way to help restore confidence in an industry affected by the recent housing crisis," Shuster said. "A strong and financially sustainable private mortgage insurance industry is a key component of a healthy residential mortgage market."

The FHFA's 2013 Conservatorship Scorecard called for the government-sponsored enterprises (GSEs) to "develop counterparty risk management standards for mortgage insurers that include uniform master policies and eligibility requirements." As expected, the proposed requirements released today seek to establish more stringent eligibility standards for GSE-approved mortgage insurers and emphasize claims-paying ability through the implementation of robust financial requirements. "National MI believes it will be well-positioned to meet the new eligibility requirements when they become effective and to continue serving the needs of mortgage lenders," Shuster said.

NMI Holdings, Inc., the parent company of National MI (National Mortgage Insurance Corporation), was established in 2012 after raising over \$500 million of capital in a private placement of its securities in April 2012. The company subsequently completed its initial public offering in November 2013. "National MI is well-capitalized, and does not suffer from legacy risk, or the blemished reputation of not paying claims," Shuster said.

National MI will further evaluate the proposed eligibility requirements and consider submitting comments, as appropriate. "We welcome the level playing field created by these new eligibility requirements, and believe that strong, transparent, financial strength requirements will ensure the industry is well-capitalized to take on an increasing role in providing credit enhancement to the housing finance industry as the government seeks to reduce its footprint," Shuster said.

#### **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](http://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, including the terms of the final GSE eligibility requirements and the timing of their implementation. 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 our Annual Report on Form 10K for year ended December 31, 2013, 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.

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