



Government Guaranteed

# **Ginnie Mae**

## **HECM/HMBS Monthly Report**

*July, 2010*

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Government National Mortgage Association (Ginnie Mae)  
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# Summary

- **HECM/HMBS issuances decreased slightly in May 2010 with \$687 million in OPB compared to April's \$871 million in OPB. Participations also decreased from 40,685 in April to 34,555 in May. (page 7)**
- **Ginnie Mae's average share of FHA HECMs was 63% in the past 3 months (February to April 2010), 71% in the last 6 months, and 69% in the last 12 months. (pages 9&10)**
- **The HECM portfolio UPB increased over 4%, to more than \$14 billion in May 2010. The portfolio had 400 pools managed by 8 issuers. (pages 12&13)**
- **One-sixth of the HECM loans had UPBs over 75% of the Maximum Claim Amount, while about one-fifth were below 50%.**
- **HECM loans were concentrated in California and Florida, with significant amounts in Texas and New York. (pages 17&18)**
- **The average age of HECM borrowers was 74 years old. Two-thirds of HECM borrowers were between 66 and 80 years old, while 2% of the borrowers were over 90 years old, and several were over 100. Nine-out-of-ten HECM borrowers used a line of credit as their payment option. (page 19)**
- **Four types of HMBS pools have been issued to date: fixed rate, monthly adjustable rate - LIBOR, monthly adjustable rate – CMT, and one year adjustable rate - CMT. (page 20)**



# Issuances

Information contained on this page is subject to the restrictive legend on the cover of this report.

# FY 2010-To-Date Issuances

Period	Beginning Balance (in millions)	Issuances (in millions)	Net of Payments and Accruals (in millions)	Ending Balance (in millions)
FY 2009	\$1,052	\$5,095	(\$20)	\$6,127
FY 2010-To-Date	\$6,127	\$8,319	\$86	\$14,532

# May Issuances

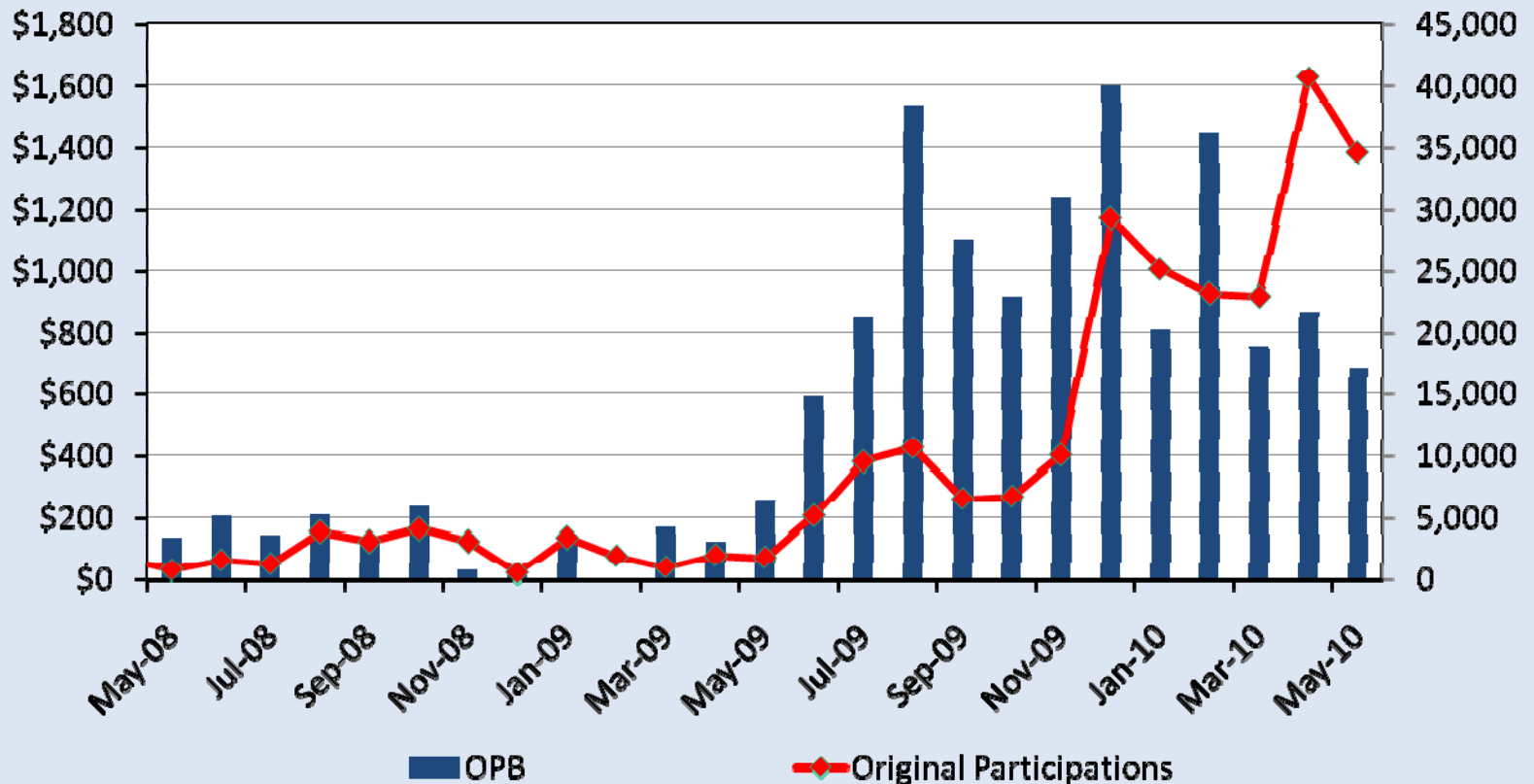
Issuer ID	Issuer Name	Number of Pools	OPB (\$ Millions)
4036	Bank of America	14	188
4039	Metlife Home Loans a Div. of Metlife Bank	2	134
4041	Wells Fargo Bank, N. A.	4	133
4027	Generation Mortgage Company	5	88
4015	Reverse Mortgage Solutions, Inc.	4	73
4021	Sunwest Mortgage Company, Inc.	6	52
4053	Financial Freedom Acquisition, LLC	5	19
	<b>Total</b>	<b>40</b>	<b>687</b>

# HMBS May Issuance Activity: Originations and Draws

Pool Type	New Originations		Subsequent Draws		Total Originations
	Participations	\$ Amount	Participations	\$ Amount	\$ Amount
RF	3,510	531,677,651	7,222	3,176,790	534,854,441
ML	1,159	97,414,922	16,651	49,108,636	146,523,558
RM	4	418,375	5,666	4,683,759	5,102,134
<b>Total</b>	<b>4,673</b>	<b>629,510,948</b>	<b>29,539</b>	<b>56,969,185</b>	<b>686,480,133</b>

# History of Issuances – Program View

HECM/HMBS issuances decreased slightly in May 2010 with \$687 million in OPB compared to April's \$871 million in OPB. Participations also decreased from 40,685 in April to 34,555 in May.



# History of Issuances – Issuer View

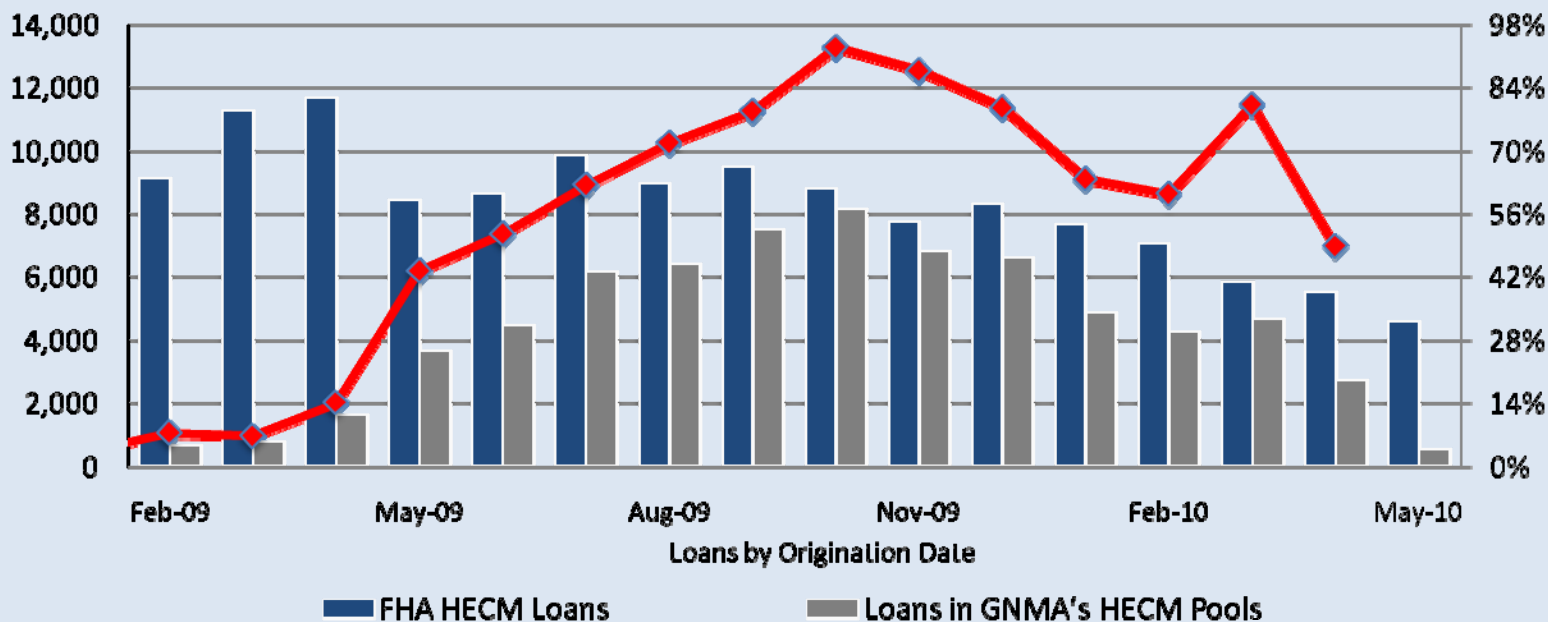
Issuer Number	Issuer Name	Number of Pools	OPB (\$ Millions)
4011 <sup>1</sup>	Goldman Sachs Mortgage Company	1	117
4015 <sup>2</sup>	Reverse Mortgage Solutions, Inc	25	873
4020 <sup>3</sup>	Financial Freedom Senior Funding Corp	20	492
4021	Sunwest Mortgage Company, Inc.	41	509
4024	Lehman Brothers Holdings Inc	2	253
4027	Generation Mortgage Company	37	1,047
4028 <sup>4</sup>	World Alliance Financial Corp	16	860
4036	Bank of America	156	5,776
4039	Metlife Home Loans a Div. of Metlife Bank	52	2,854
4041	Wells Fargo Bank, N. A.	39	1,684
4053	Financial Freedom Senior Funding Corp	13	109
	<b>Total</b>	<b>402</b>	<b>14,574</b>

Notes:

- 1.Pool has been terminated.
- 2.Reverse Mortgage Solutions (#4015) transferred 3 of its pools to World Alliance Financial Corp (#4028) in March 2009
- 3.Financial Freedom Senior Funding Corp (#4020) transferred all of 20 pools to Financial Freedom Senior Funding Corp (#4053) in April 2009. In addition, Financial Freedom Senior Funding Corp (#4053) issued 3 pools in November 2009 and 2 pools in January 2010.
- 4.Bank of America (#4036) acquired World Alliance Financial Corp (#4028)'s portfolio

# Ginnie Mae's Share of FHA HECMs

Ginnie Mae's average share of FHA HECMs was 63% in the past 3 months (February to April 2010), 71% in the last 6 months, and 69% in the last 12 months.



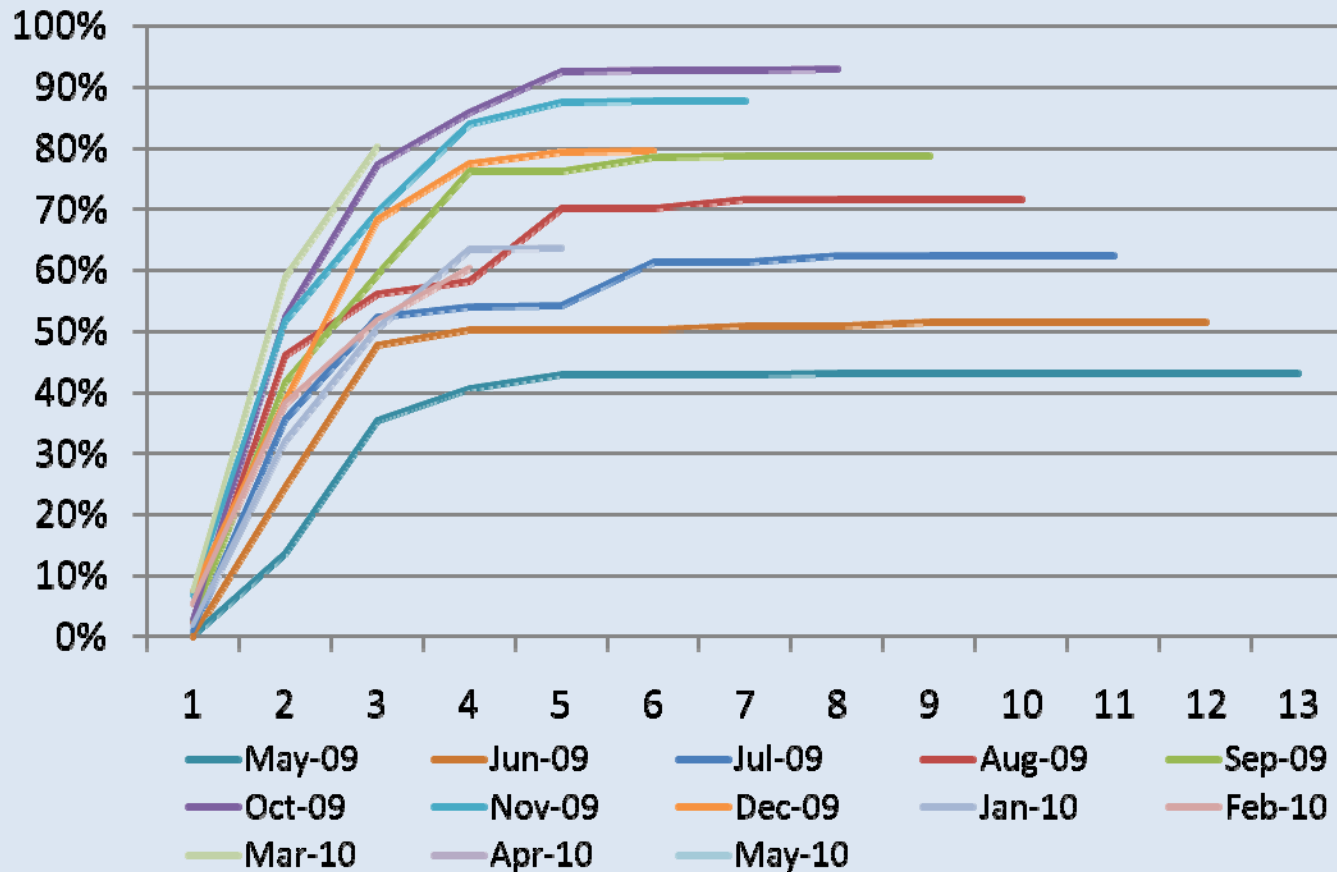
Last 12 Months (200905-201004)	Last 6 Months (200911-201004)	Last 3 Months (201002-201004)
69%	71%	63%

Note: The FHA HECM Loans are from data published by HUD in the following report on the HUD website: FHA HECM Endorsement Summary Report. Loans in GNMA pools are all loans pooled, ordered by origination date. Due to the lag between the dates HECMs are originated and the dates they are securitized, GNMA loans originated in May 2010 were not included in the graph above.

# Ginnie Mae's Share FHA HECMs by Month of Pooling

The percentage share of HECM loans securitized in Ginnie Mae pools has been increasing over time. From February through April 2010, Ginnie Mae securitized 63% of all FHA HECM loans.

## GNMA HECM Share



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# Portfolio

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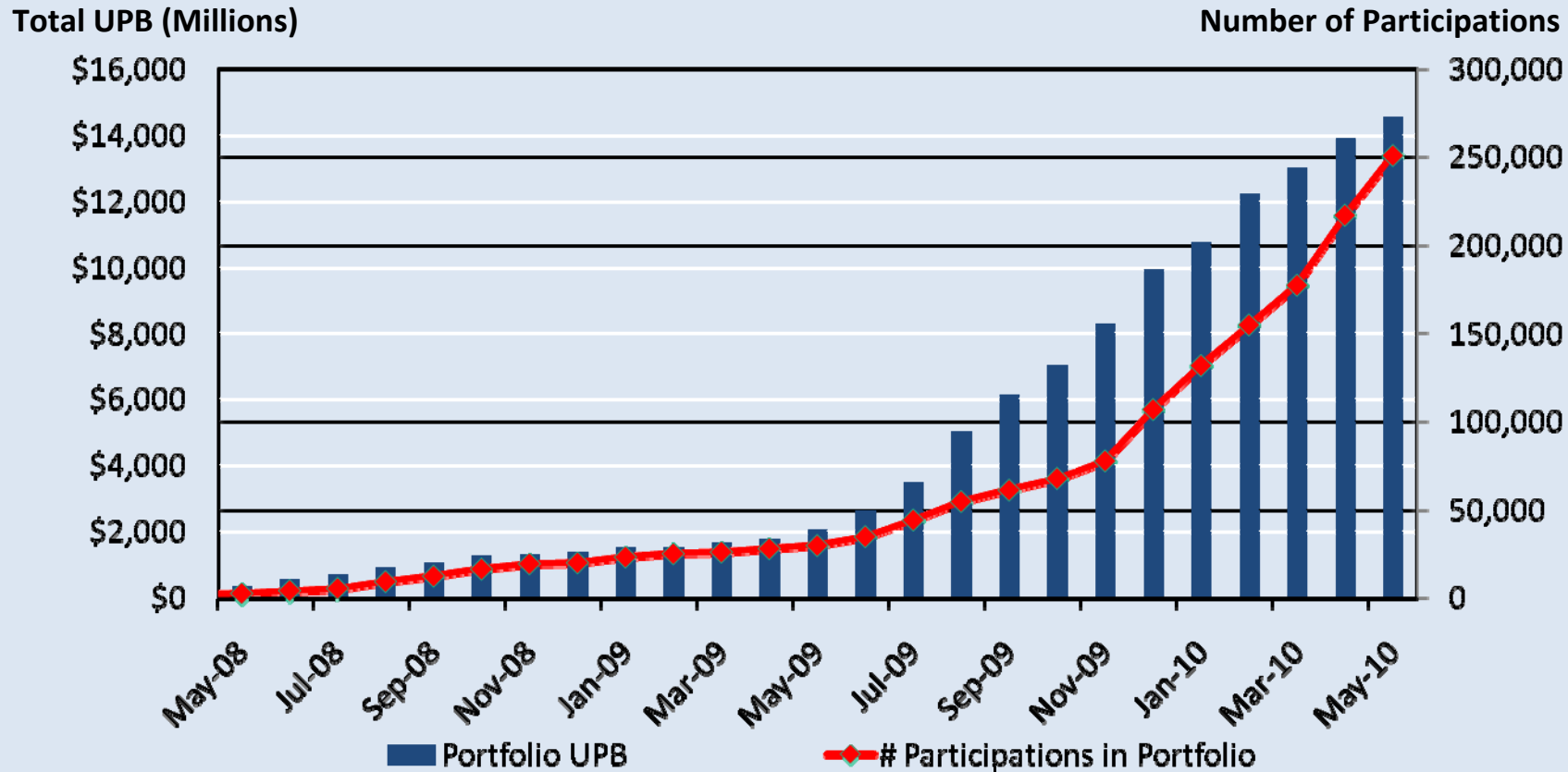
# Active HECM Portfolio by Issuer

Issuer Number	Issuer Name	Number of Pools	UPB (\$ Millions)	Participation Count
4015	REVERSE MORTGAGE SOLUTIONS, INC	22	735	9,884
4021	SUNWEST MORTGAGE COMPANY, INC	41	512	7,584
4024	LEHMAN BROTHERS	2	239	1,772
4027	GENERATION MORTGAGE COMPANY	36	999	9,701
4036	BANK OF AMERICA	175	6,822	167,521
4039	METLIFE BANK, N.A.	52	2,929	15,395
4041	WELLS FARGO BANK, N.A.	39	1,701	14,645
4053	FINANCIAL FREEDOM SENIOR FUNDING CORP	33	595	24,416
	<b>Total</b>	<b>400</b>	<b>14,532</b>	<b>250,918</b>

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# HECM/HMBS Portfolio Growth

The HECM/HMBS portfolio has grown steadily since the program began, and surged since June. In the past month, the portfolio UPB increased over 4%, and the number of participations increased over 15%.



# Issuers Securitizing 1<sup>st</sup>, 2<sup>nd</sup> and Additional Participations

Issuer Number	Issuer Name	Total Participation Count	1st Participation	2nd Participation	3rd Participation	4th Participation	5th Participation	6th Participation	7th Participation	8th Participation	9th Participation	10th Participation
4015	REVERSE MORTGAGE SOLUTIONS, INC	9,872	5,027	3,681	879	285						
4021	SUNWEST MORTGAGE COMPANY, INC	7,584	2,427	1,802	608	600	565	542	529	511		
4024	LEHMAN BROTHERS HO	1,772	1,772									
4027	GENERATION MORTGAGE COMPANY	9,701	5,950	2,894	857							
4036	BANK OF AMERICA	166,943	46,788	42,934	33,663	19,382	15,227	8,114	835			
4039	METLIFE BANK, N.A.	15,395	15,395									
4041	WELLS FARGO BANK, N.A.	14,645	10,623	2,087								
4053	FINANCIAL FREEDOM	24,416	3,869	3,755	3,233	3,065	2,077	2,061	1,756	1,697	1,514	1,389

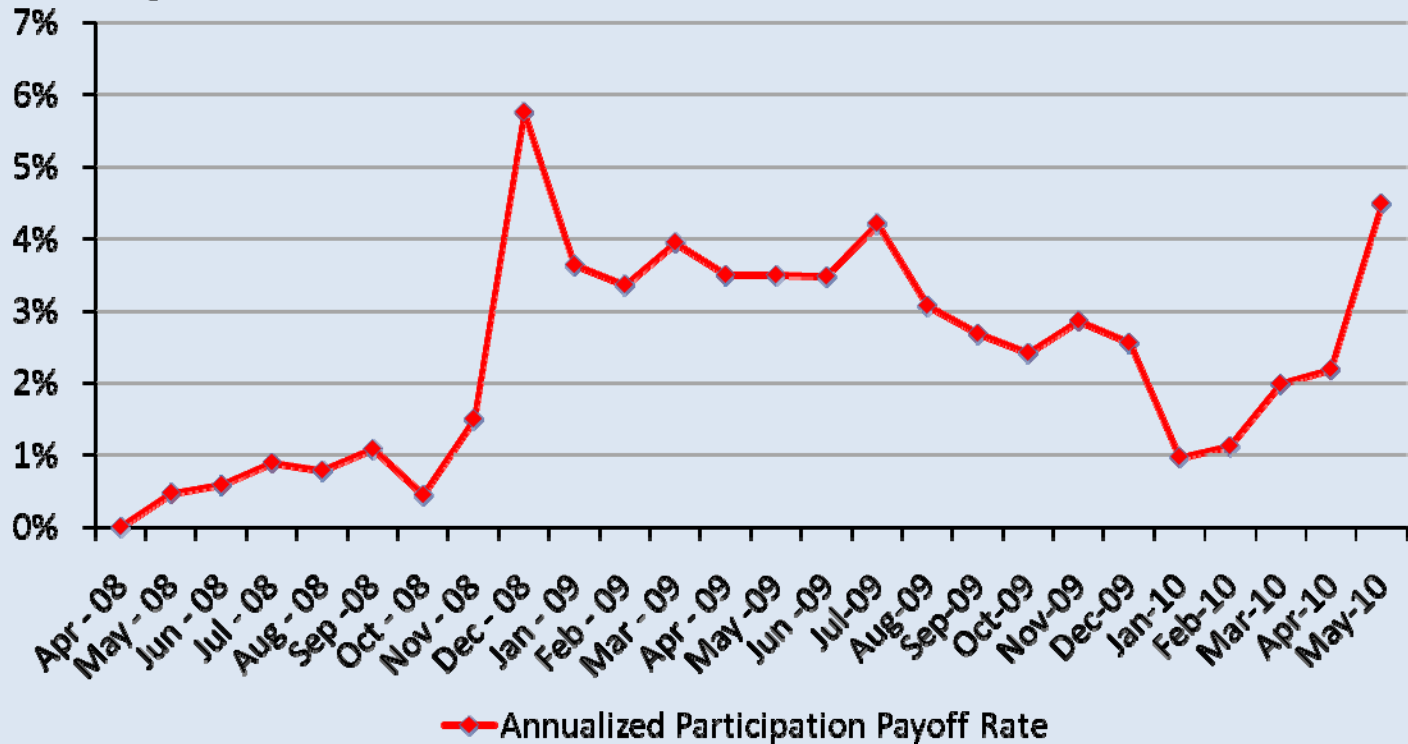
Note: Additional participation data is based on participation monthly data file.

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# Participation Payoffs

The participation payoff rate has declined since it peaked in December 2008. It has, however, been on the rise since the beginning of this year. This month the participation payoff rate doubled from last month to 4.49%.

Payoff Percentage



Note: Payoff rates are calculated as the number of participations that paid off in a month, divided by the total number of participations in the same month. The rates are annualized by adding unity to the monthly payoff rate, raising the sum to the power of 12, then subtracting unity.

# HECM UPB as a Percentage of Maximum Claim Amount

One-sixth of the HECM loans had UPBs greater than 75% of the Maximum Claim Amount, while about one-fifth were below 50%.

HECM UPB as a Percentage of Maximum Claim Amount	Number of HECM Loans	Percentage of All Loans
25% - 50%	11,280	12%
75% - 85%	12,240	13%
85% - 95%	2,445	3%
95% - 97%	96	0%
<b>Total</b>	<b>91,851</b>	<b>100%</b>

Note: Bottom cutoffs of the stratum are inclusive. For example, 75% - 85% means  $\geq 75\%$  and  $< 85\%$



# Number of HECM Loans - Top 10 States

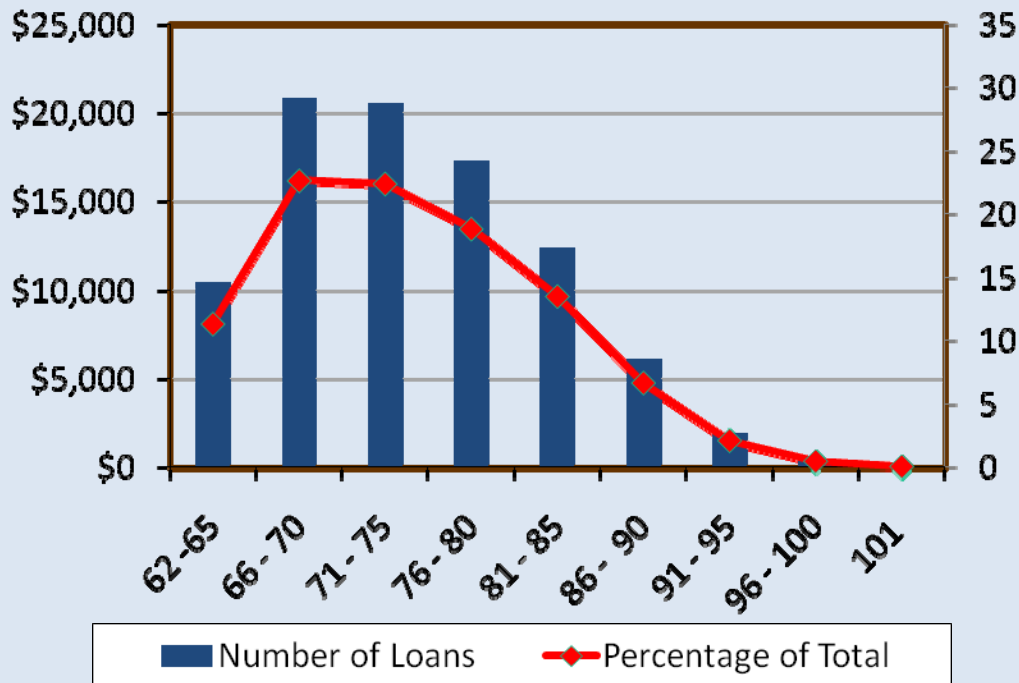
State	Number of HECM Loans	Loan Count Percentage	Number of Participations	HECM Loan UPB (\$ Millions)	HECM Loan OPB (\$ Millions)
CA	13,664	14.88%	40,833	3,377	3,028
FL	11,210	12.20%	31,343	1,584	1,423
TX	6,661	7.25%	16,871	711,097	655
NY	5,545	6.04%	14,667	1,243	1,123
MD	3,821	4.16%	9,545	643	597
NJ	3,630	3.95%	9,935	608	534
VA	3,605	3.92%	9,000	538	492
PA	3,207	3.49%	8,431	350	318
IL	2,825	3.08%	7,593	376	343
WA	2,689	2.93%	8,017	511	456

# Borrowers Age Profile and Payment Option of HECM Loans

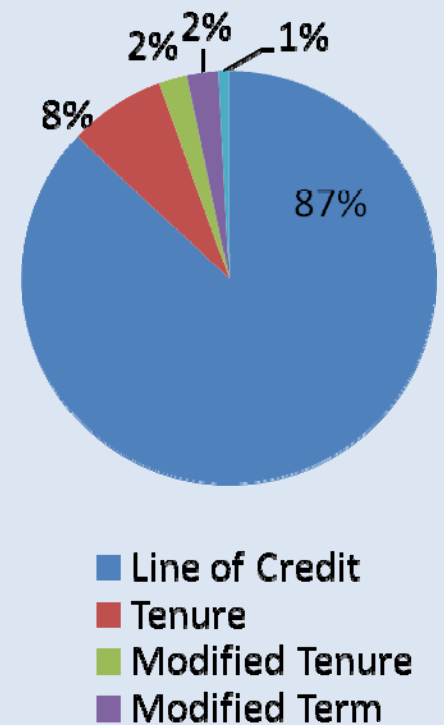
The average HECM borrower was 74 years old. Two-thirds of HECM borrowers were between 66 and 80 years old, while 2% of the borrowers were over 90, and several were over 100.

Number of Loans

Percentage of All Loans



Nine-out-of-ten HECM loans are line of credits.



# HMBS Pools by Pool Type

*There are five types of HECM pools, four have been issued to date:*

- RF – Fixed Rate*
- RA – One Year Adjustable Rate, CMT*
- ML – Monthly Adjustable Rate, LIBOR*
- RM – Monthly Adjustable Rate, CMT*

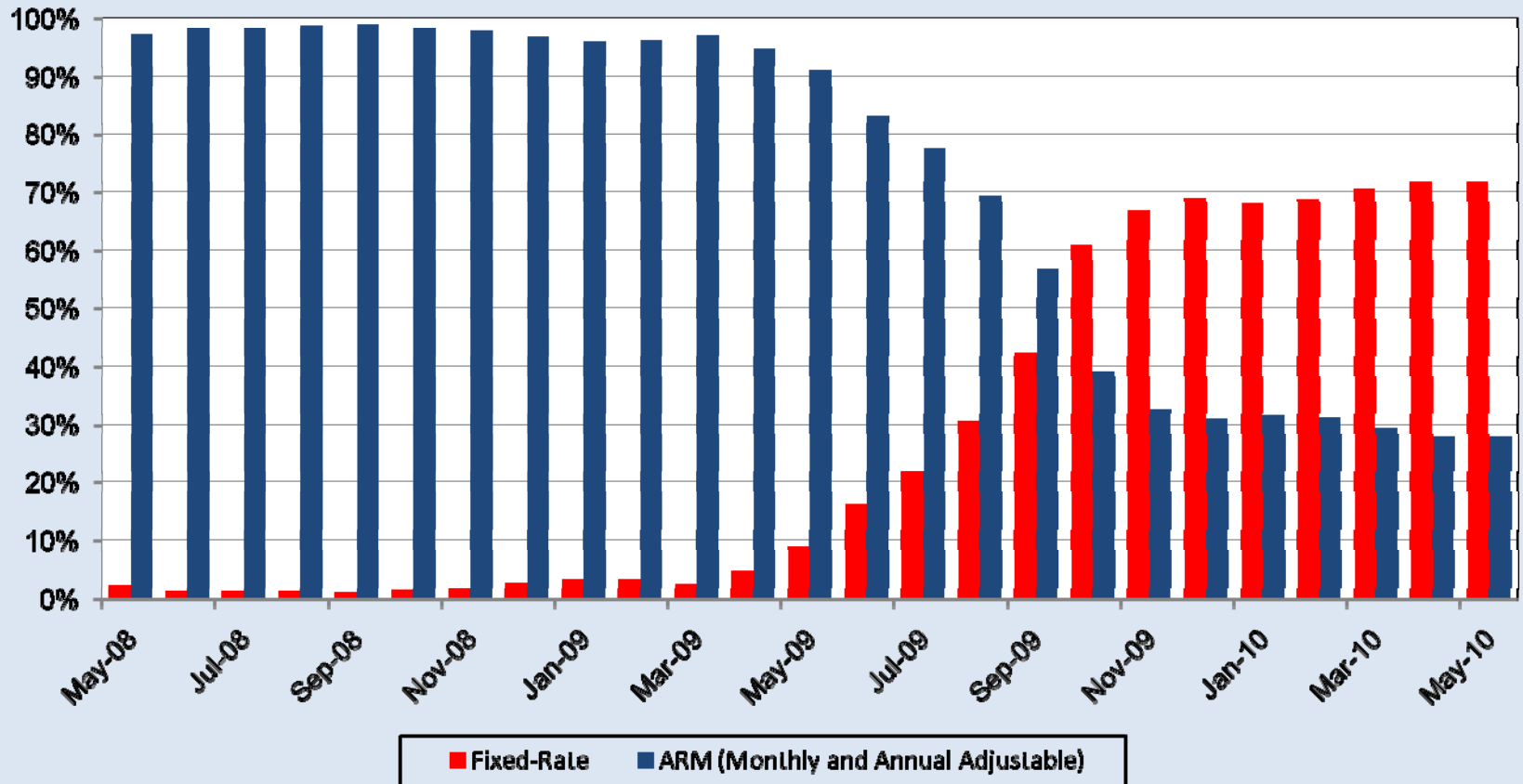
Pool Type	Pools	OPB (Millions)	Pool Ending UPB (Millions)	Percentage of Total UPB	Original Participation Count	Current Participation Count	Percentage of Total Current Participation Count
RF	233	9,320	9,461	65.10%	95,865	95,036	37.88%
ML	131	3,338	3,314	22.80%	107,153	106,502	42.44%
RM	36	1,911	1,754	12.07%	51,322	49,360	19.67%
RA	2	3	3	0.02%	21	20	0.01%
<b>Total</b>	<b>402</b>	<b>14,572</b>	<b>14,532</b>	<b>100.00%</b>	<b>254,361</b>	<b>250,918</b>	<b>100.00%</b>

# Appendix 1 - Share of HECM Loans in Ginnie Mae Pools

Loan Origination Date	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10
May-10	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	11.57%
Apr-10	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	7.9%	48.8%
Mar-10	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	7.3%	58.8%	80.2%
Feb-10	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	5.3%	38.1%	51.7%	60.4%
Jan-10	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1.7%	32.1%	50.6%	63.4%	63.6%
Dec-09	N/A	N/A	N/A	N/A	N/A	N/A	N/A	7.4%	38.6%	68.2%	77.5%	79.5%	79.6%
Nov-09	N/A	N/A	N/A	N/A	N/A	N/A	7.0%	51.7%	69.6%	83.9%	87.5%	87.7%	87.7%
Oct-09	N/A	N/A	N/A	N/A	N/A	2.7%	52.5%	77.3%	85.9%	92.5%	92.8%	92.9%	92.9%
Sep-09	N/A	N/A	N/A	N/A	2.6%	41.7%	59.4%	76.2%	76.3%	78.6%	78.7%	78.7%	78.8%
Aug-09	N/A	N/A	N/A	2.0%	46.1%	56.2%	58.3%	70.3%	70.3%	71.6%	71.7%	71.7%	71.7%
Jul-09	N/A	N/A	0.8%	35.5%	52.4%	54.0%	54.3%	61.3%	61.3%	62.3%	62.3%	62.4%	62.4%
Jun-09	N/A	0.0%	24.6%	47.7%	50.2%	50.2%	50.3%	50.9%	50.9%	51.5%	51.5%	51.5%	51.5%
May-09	0.2%	13.6%	35.4%	40.7%	43.0%	43.0%	43.0%	43.1%	43.1%	43.2%	43.2%	43.2%	43.2%

# Appendix 2 – Fixed versus ARM HECM Market Share

The tremendous growth of the HECM/HMBS portfolio was accompanied by a major shift in production, from ARMS to Fixed-Rate loans. In May 2010, for example, the percentage of fixed-rate loans was about 70 percent, up from less than 10 percent only one year earlier, in May 2009.



# HREMICS

Deal Number	Settlement Date	Sponsor	Amount
2009-H01	11/30/2009	Bank of America	130,876,963
2010-H01	1/29/2010	Bank of America	142,845,088
2010-H02	2/26/2010	Bank of America	209,313,023
2010-H03	3/30/2010	Bank of America	401,972,625
2010-H04	4/30/2010	Jeffries	87,525,973
2010-H05	4/30/2010	Barclays	149,421,978
2010-H06	4/30/2010	Bank of America	266,230,550
2010-H07	5/28/2010	Bank of America	293,221,491
2010-H08	5/28/2010	Barclays	117,456,250
2010-H09	6/30/2010	Barclays	118,680,283
2010-H10	6/30/2010	Bank of America	326,413,936
		<i>2009 Total</i>	130,876,963
		<i>2010 Total</i>	2,113,081,197
		<b>Total</b>	<b>2,243,958,160</b>