



HMBS Program Updates

NRMLA 2017 Annual Meeting and Expo

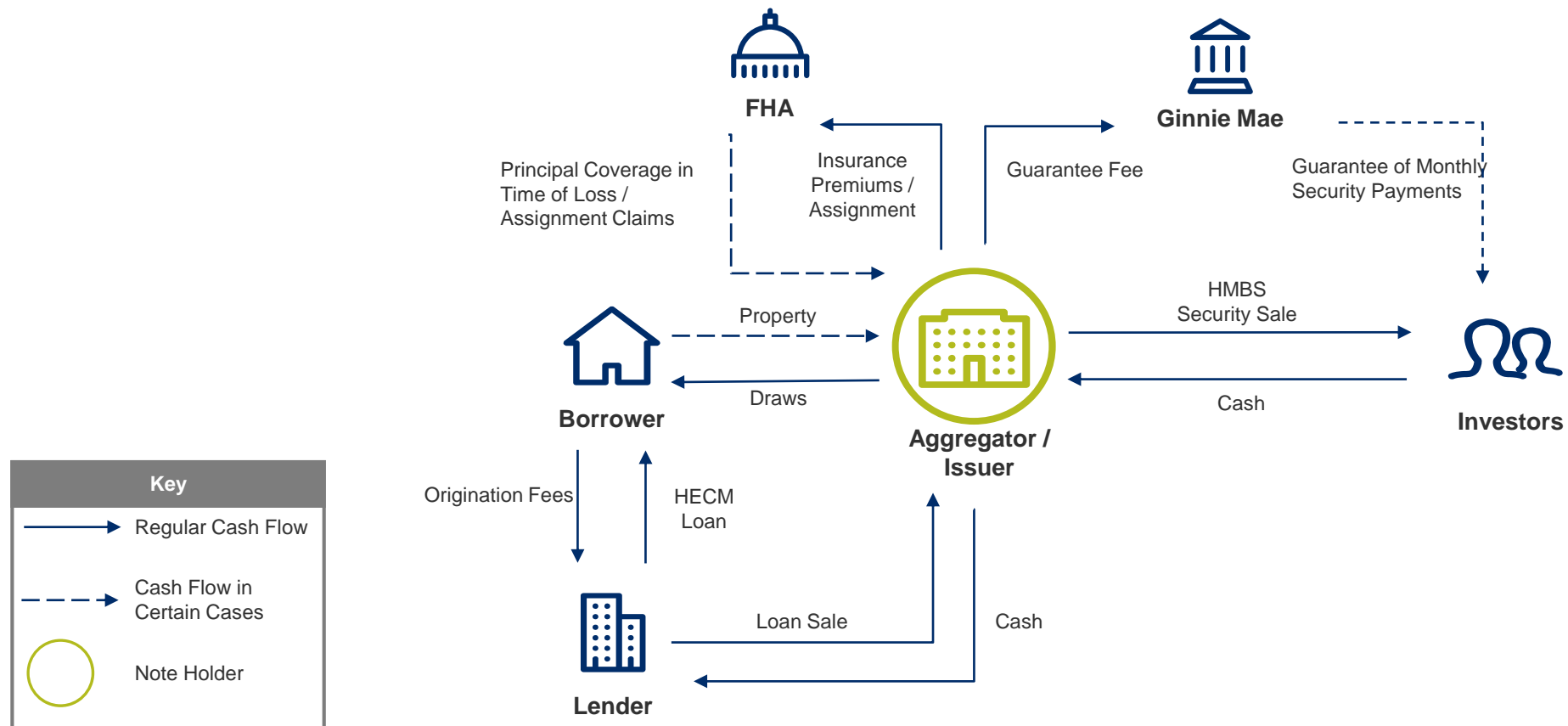
November 13, 2017

Michael Drayne

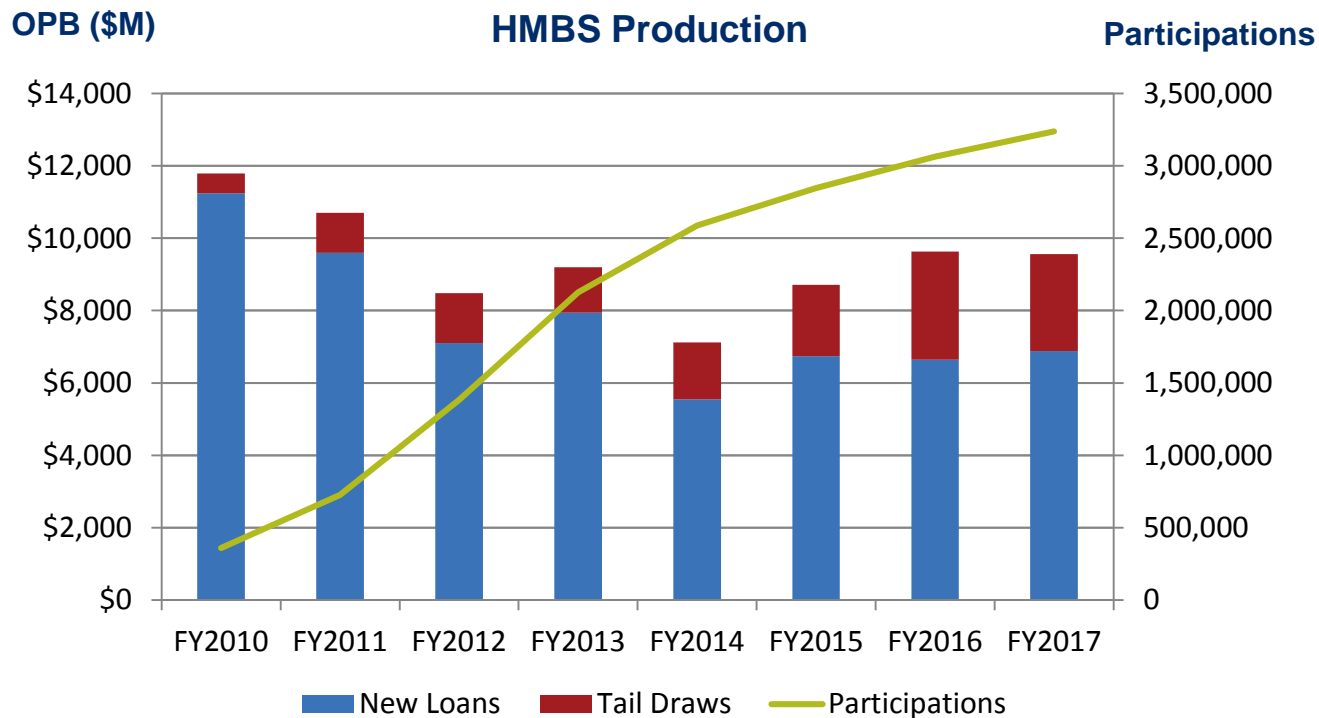
Ginnie Mae Senior Vice President, Office of Issuer and Portfolio Management



The Ginnie Mae HMBS program involves multiple stakeholders.



HMBS portfolio shows stabilizing volume of original participations and increasing tail issuance.



HMBS Portfolio

- 16 Active HMBS Issuers
- \$55.1B in UPB
- 334,477 Loans
- 11.1M Participations

HREMIC Issuance

- **FY2016:**
 - \$10.7B total
 - \$890M/Month
- **FY2017:**
 - \$9.5B total
 - \$791M/Month

HMBS Production

- **FY2016:**
 - \$9.6B total
 - \$803M/Month
- **FY2017:**
 - \$9.6B total
 - \$796M/Month

Ginnie Mae and FHA remain focused on key HECM and HMBS areas.

FHA

- ***HECM's Purpose***
Does the HECM program maximize public utility and reduce the effect of economic hardship on senior homeowners?
- ***Stability of the MMI Fund***
Is the value of the MMI fund enough to cover estimated losses and losses in excess protect the taxpayers...?

Ginnie Mae

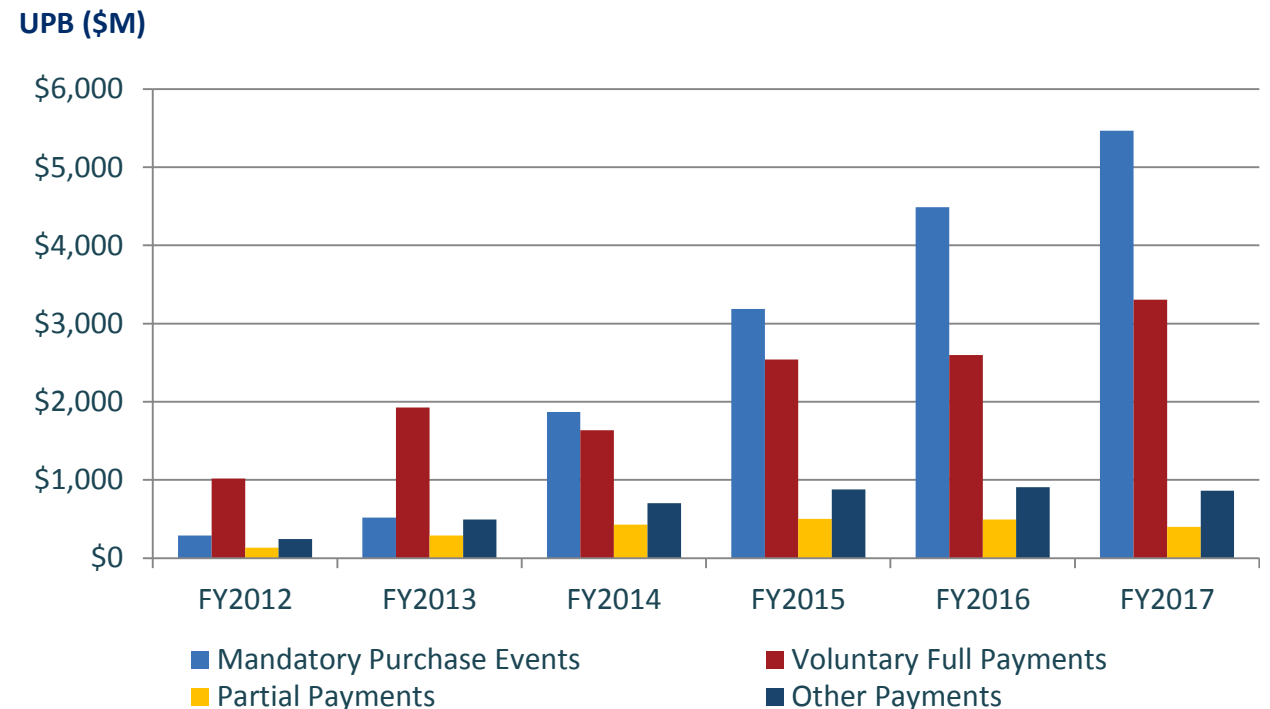
- ***Investor Appetite***
Are HMBS securities attractive to investors – critical in keeping the program afloat?
- ***Program Economics***
Is HMBS servicing an economically attractive business?
- ***Counterparty Risk***
Can private sector HMBS participants be expected to fulfill their roles without calling on the government guarantee?

Issuer consolidation and liquidity pressure remain top program concerns.






Current HMBS program Issuers

Active Issuers		UPB	Percent of Total UPB
Issuer Number	Issuer Name		
4157	NATIONSTAR MORTGAGE LLC	\$14,027,959,420	25.4%
4132	FINANCE OF AMERICA REVERSE LLC	\$9,302,131,907	16.9%
4015	REVERSE MORTGAGE SOLUTIONS, IN	\$9,035,959,020	16.4%
4250	AMERICAN ADVISORS GROUP, INC.	\$6,731,978,999	12.2%
4277	REVERSE MORTGAGE FUNDING, LLC	\$5,432,267,556	9.9%
4153	OCWEN LOAN SERVICING, LLC	\$3,986,603,168	7.2%
4174	LIVE WELL FINANCIAL, INC.	\$3,618,465,478	6.6%
4036	BANK OF AMERICA	\$1,171,922,948	2.1%
4148	CIT BANK, N.A.	\$431,861,980	0.8%
4305	THE MONEY SOURCE INC.	\$337,259,387	0.6%
4394	LONGBRIDGE FINANCIAL, LLC	\$321,637,767	0.6%
4211	PLAZA HOME MORTGAGE, INCORPORA	\$268,232,642	0.5%
4021	SUNWEST MORTGAGE COMPANY, INC	\$263,759,762	0.5%
4311	TRADITIONAL MORTGAGE ACCEPTANC	\$121,363,923	0.2%
4229	CHERRY CREEK MORTGAGE CO., INC	\$64,689,450	0.1%
4325	THE MONEY HOUSE, INC.	\$6,148,666	0.0%
Total		\$55,122,242,072	100.0%

Liquidity Pressure on HMBS MSR



Ginnie Mae remains focused on program sustainability and soundness.

-  **Policy Agenda focused on reducing liquidity pressure on Issuers**
-  **Coordinating with FHA**
-  **Increasing diversified Issuer base**
-  **Broadening the capability for HMBS servicing**
-  **Protecting security performance**

Q & A

Email contact: Michael.r.drayne@hud.gov