



Ginnie Mae Update

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NRMLA Eastern Regional Meeting

May 20, 2019

Data as of April 2019

Topics

Ginnie Mae At Large:

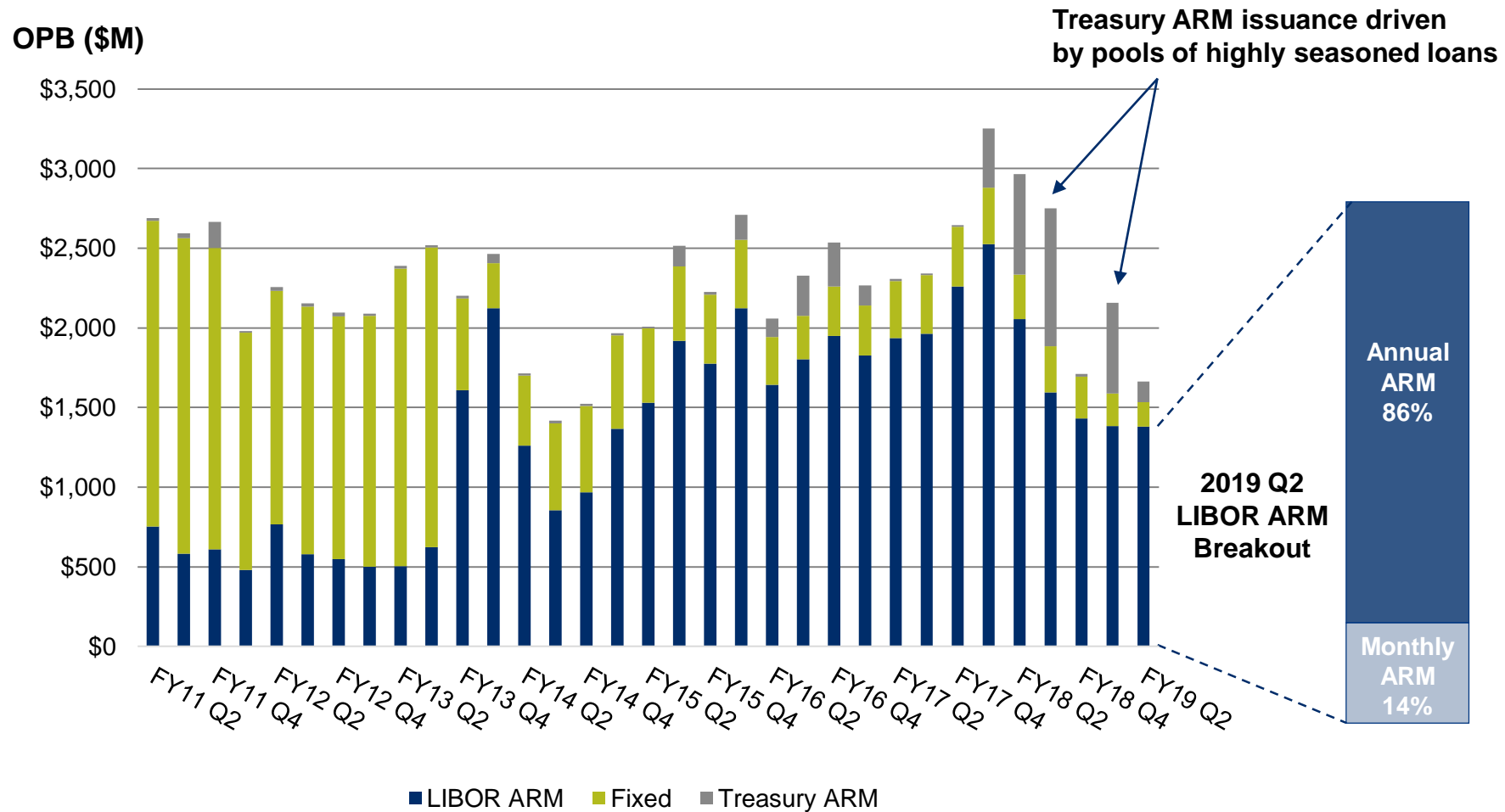
1. Recently published: Issuer liquidity meeting report; VA RFI – see GinnieMae.gov
2. Upcoming: Ginnie Mae 2020 report; Ginnie Mae Summit (June 13/14 in DC)

Reverse Mortgages: Areas of Focus

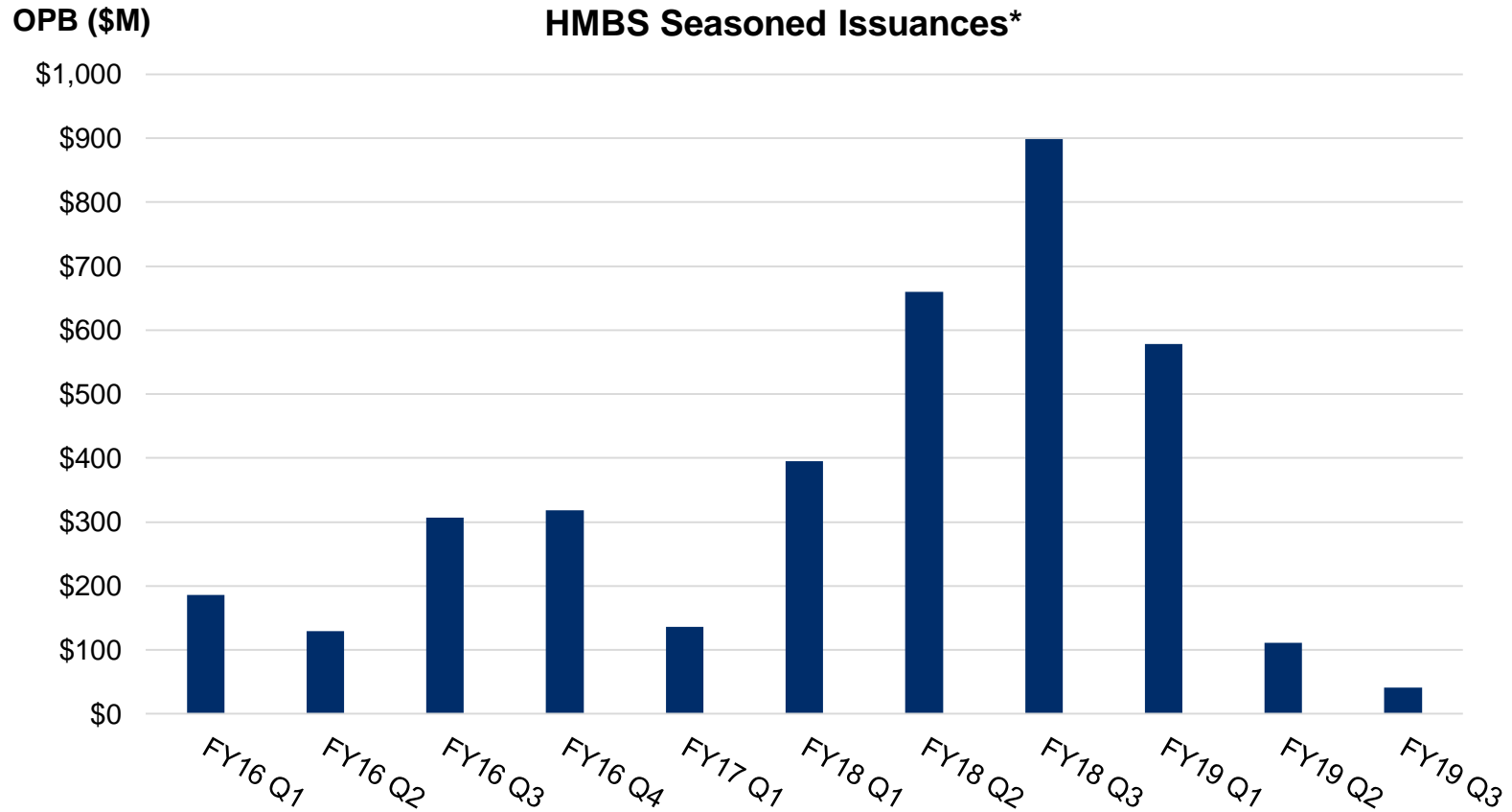
1. The HMBS Capital Crunch
2. LIBOR replacement
3. Seasoned HMBS production
4. Intra-agency collaboration – coming innovations?

HMBS Issuance Is Heavily ARM Focused

Over 70% of FY19 HMBS Issuance is tied to LIBOR. Rising LIBOR (and other interest rates) could also result in lower PLFs, thus further decreasing issuance volume.



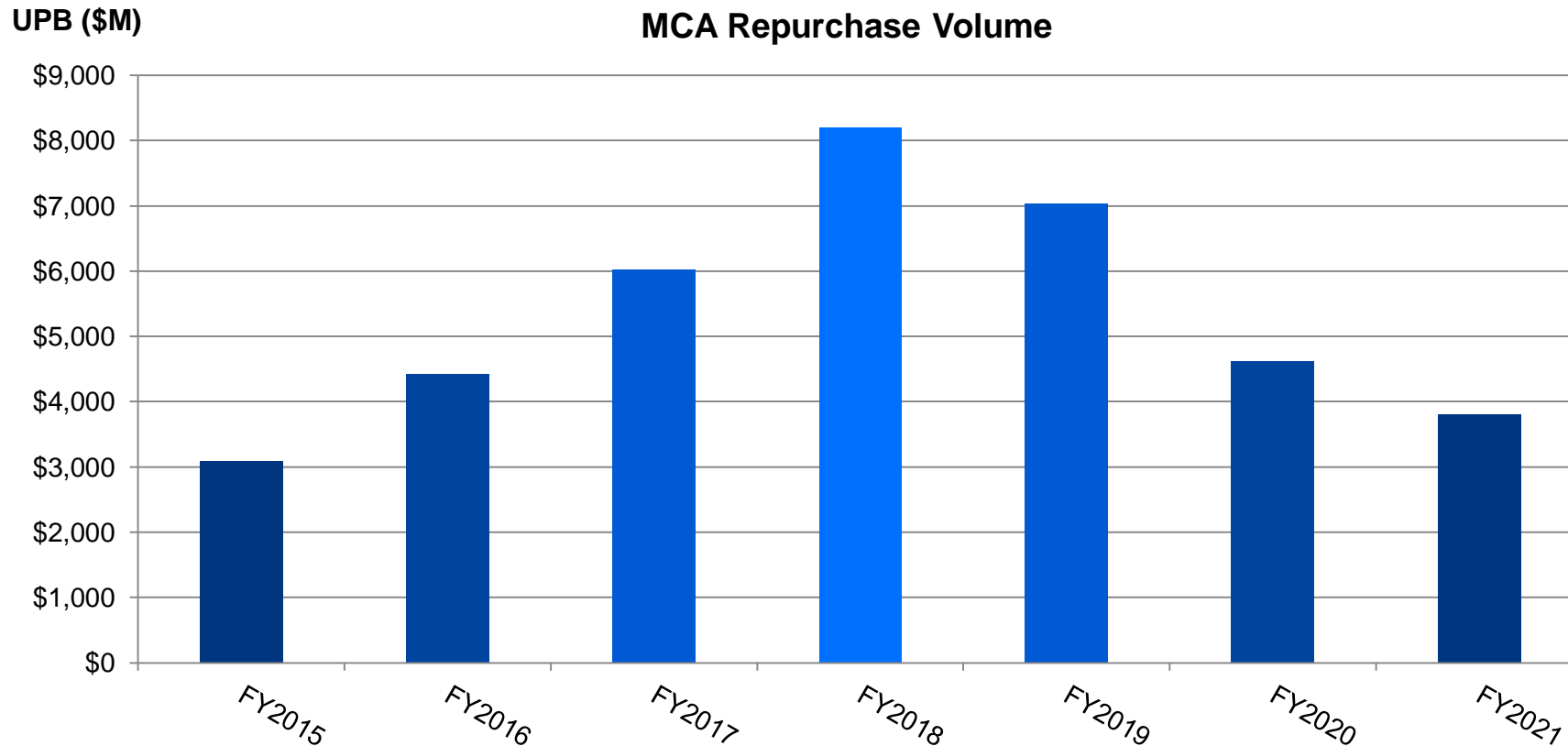
Issuer's Responses to Decreased HMBS Production



**Seasoned is defined as 5 years or more between origination and securitization*

FY2018 Saw Peak Mandatory Repurchase Volume

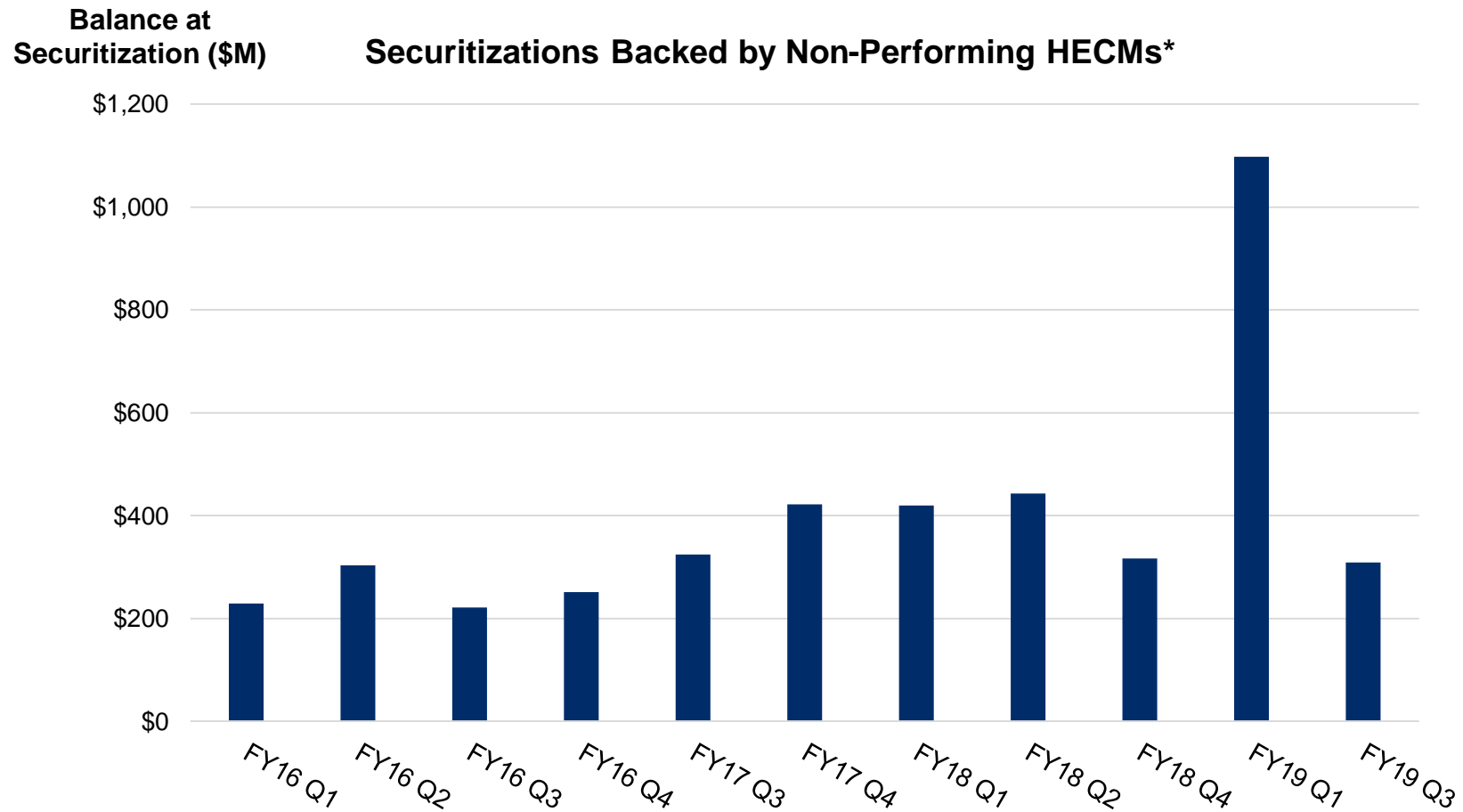
From peak HMBS issuance in FY2010 and FY2011, FY2018 observed record HMBS mandatory purchase events. While high levels of repurchases are expected to continue through FY2019, there is expected relief from last year's high.



Note: These modeling results are from September 2018 data – at the current pace thru April 2019, FY2019 MCA Volume is on pace for ~\$7.6B

Private Market Responses to HMBS Liquidity Pressure

In response to a decline in HMBS production volume and increased liquidity pressure, three HMBS Issuers are securitizing non-performing HECMs in PLS



**This only includes Moody's rated securities*