

Understanding Affordability Options

Conventional MI Loans

March 2017

Genworth 



Helping the Borrower

Is A Conventional Loan An Option For Your Borrower?

- HomeReady®
 - Fannie Mae's HomeReady is designed to help lenders confidently serve today's market of creditworthy, low- to moderate-income borrowers, with expanded eligibility for financing homes in low-income communities.
 - Offers reduced MI coverage on loans \leq 90% LTV and a waiver of LLPA's on loans with LTV $>80\%$ and credit score ≥ 680
- Home Possible®
 - Freddie Mac's Home Possible mortgages offer low down payments for low- to moderate-income homebuyers or buyers in high-cost or underserved communities.
 - Offers reduced MI coverage on loans \leq 90% LTV and a waiver of postsettlement fees on loans with LTV $>80\%$ and credit score ≥ 680

Have You Explored All Of The Options That Are Best For Your Borrower?

Agenda

In Today's Session We Will Cover

Overview and Benefits

- HomeReady

- Website
- Fact Sheet and FAQ's
- Quick Facts
- LLPA Matrix
- MI Coverage Requirements
- Marketing Center

- Home Possible and Home Possible Advantage

- Website
- Overview and Benefits
- Quick Facts
- Postsettlement Fees
- MI Coverage Requirements
- Marketing Options

- Genworth Benefits and Tools

HomeReady Website

 Fannie Mae

Search forms, documents, site content, etc...

Single-Family ▾ Originating & Underwriting Pricing & Execution Delivering Servicing Training Technology

HomeReady

HomeReady® is designed to help lenders confidently serve today's market of creditworthy, low- to moderate-income borrowers, with expanded eligibility for financing homes in low-income communities.



HOME Ready®
by Fannie Mae

Grow with HomeReady

Find out why so many lenders are using HomeReady.



[Start homeownership
requested](#)

Real Estate Professionals

[HomeReadyMortgage.com](#)
[HomeReady Mortgage Toolkit for Real Estate Professionals](#)

Enhanced Market Opportunity Tool

The Market Opportunity Tool - available free in [Fannie Mae Connect](#) - is designed to help our lender partners explore business opportunities in the markets they serve and areas where they may wish to expand. [Learn More](#).

Learn More

Overview

[HomeReady Fact Sheet](#)
[Why Choose HomeReady Mortgage?](#)
[HomeReady Product Matrix](#)
[Fast Facts for Loan Officers](#)

Frequently Asked Questions

[FAQs | HomeReady](#)

Income Flexibilities (with sample scenarios)

[Non-Borrower Household Income Flexibility](#)
[Rental and Boarder Income Flexibilities](#)
[Non-Occupant Borrower Income Flexibility](#)

Product Comparison

What's New

New Quarterly Compass: Expanded Edition for Q4 Dec 13, 2016

The new Quarterly Compass features the latest technology and policy news, and important milestones, and more in this special three-page edition.

[Show All](#)

Income Eligibility

[Income Eligibility Lookup Tool](#)
[Income Eligibility Lookup Tool Tips](#)
[Income Eligibility by Census Tract Lookup \(spreadsheet\)](#)
[Income Eligibility Summary](#)
[Income Eligibility Maps \(states & territories\)](#)

<https://www.fanniemae.com/singlefamily/homeready>

HomeReady Fact Sheet and FAQ's



Fannie Mae

HomeReady® mortgage Built for today's home buyers.

Meet the diverse needs of today's buyers and grow your business with the HomeReady mortgage, our enhanced affordable lending product. Designed for creditworthy low- to moderate-income borrowers, HomeReady offers expanded eligibility for financing homes in low-income communities.

Features

- Innovative underwriting flexibilities expand access to credit responsibly. Flexibilities include:
 - Income from non-borrower household members considered as a compensating factor in Desktop Underwriter® (DU) to allow for a debt-to-income (DTI) ratio >45%, up to 50%
 - Rental unit and boarder income
 - Non-occupant borrowers, such as a parent
- Financing up to 97% loan-to-value (LTV) for purchase of one-unit principal residence (DU is required for LTV ratios >95%); up to 95% LTV for limited cash-out refi (LCOR) and up to 97% LTV for LCOR transactions in DU when the mortgage being refinanced is owned or guaranteed by Fannie Mae
- Borrower is not required to be a first-time buyer
- Cancellable mortgage insurance (restrictions apply); lower MI coverage (25% for LTVs >90% to 97%) compared with standard requirements
- Gifts, grants, Community Seconds®, and cash-on-hand permitted as a source of funds for down payment and closing costs
- Nontraditional credit is allowed
- Supports manufactured housing up to 95% and HomeStyle® Renovation (approved lenders) up to 95%

Lender Benefits

Certainty. Underwrite with confidence – DU automatically identifies potential HomeReady-eligible loans and provides a credit risk assessment.

Affordability. Get pricing that's better than or equal to Fannie Mae's standard loan pricing. Take advantage of risk-based pricing waivers for LTV ratios >80% with a credit score ≥ 680 .

Simplicity. Combine standard and HomeReady loans into MBS pools and whole loan commitments.

Sustainability. Expand access to credit responsibly with homeownership education and advising options for borrowers.

Borrower Benefits

Low down payment. Up to 97% LTV financing for home purchase and refinance transactions.

Flexible sources of funds. Can be used for the down payment and closing costs with no minimum contribution required from the borrower's own funds (1-unit properties).

Affordable and cancellable monthly MI. Reduced MI coverage requirement above 90% LTV; cancellable MI per *Servicing Guide* policy.

Homeownership course. The online [Framework®](#) course prepares borrowers for sustainable homeownership; other education and advising options are available.

Lender Fact Sheet

Lenders say...

"Over the past year at United Wholesale Mortgage we have been offering Fannie Mae's affordable lending products to our clients across the country. This has provided our network of brokers and correspondents with the lowest payment options for their clients. The 97% financing option and low mortgage insurance coverage are just two of the benefits as compared to traditional conventional loan programs." –Matt Ishola, President/CEO, United Shore

"It's a no-brainer for borrowers with greater than 80% LTV and 680 or higher credit score." –Derek Travis, loan officer, America First



Fannie Mae

Frequently Asked Questions

HomeReady FAQs

Listed below are common questions about the features, requirements, and benefits of the HomeReady® mortgage, our affordable mortgage product designed for credit-worthy, low- to moderate-income borrowers, with expanded eligibility for financing homes in low-income communities. For details on the required pre-purchase education for HomeReady, please see the separate [Homeownership Education FAQs](#). To navigate to a specific section, click on the links below.



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General

Q1. What are HomeReady's lender benefits?

HomeReady helps lenders confidently serve today's market of creditworthy, low- to moderate-income borrowers, with expanded eligibility for financing homes in low-income communities. HomeReady offers lenders

- Certainty: Underwrite with confidence – DU automatically identifies potential HomeReady eligible loans and provides a credit risk assessment.
- Competitive pricing: Get pricing that's better than or equal to our standard loan pricing. Take advantage of risk-based pricing waivers for LTV ratios > 80% with a credit score ≥ 680 .
- Simplicity: Combine standard and HomeReady loans into MBS pools and whole loan commitments.
- Sustainability: Expand access to credit responsibly with homeownership education and advising options for borrowers.

All eligibility offers and requirements are subject to the formal terms and conditions of the Fannie Mae Selling Guide.
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HomeReady Quick Facts

- **Low down payment with up to 97% LTV financing for home purchases**
- **CLTV up to 105% for loans eligible Community Seconds transaction**
- **Flexible sources of funds with no minimum contribution requirement from borrower's own funds (1-unit properties)**
- **Rental and boarder income may be considered for qualifying**
- **Expanded DTI Ratio when using additional household income from non-borrowers**
- **Non-borrower household income is not counted toward income eligibility limits**
- **Simple income eligibility**
 - Low-income census tract property location
 - No income limit
 - All other property locations
 - 100% of area median income

HomeReady Quick Facts *continued*

- **Competitive pricing over standard pricing (LLPA's)**
- **Cancellable private mortgage insurance**
- **Reduced MI coverage requirements for LTV's above 90% (up to 97%)**

Pricing And Fannie Mae LLPA Matrix



Fannie Mae™

Loan-Level Price Adjustment (LLPA) Matrix

This document provides the LLPAs applicable to loans delivered to Fannie. LLPAs are assessed based upon certain eligibility or other loan features, such as credit score, loan purpose, occupancy, number of units, product type, etc. Special feature codes (SFCs) that are required when delivering loans with these features are listed next to the applicable LLPAs. Not all loans will be eligible for the features described in this Matrix and unless otherwise noted, FHA, VA, Rural Development (RD) Section 502 Mortgages, HUD Section 184 Mortgages, and matured balloon mortgages (refinanced or modified, per *Servicing Guide* requirements) are excluded from these LLPAs. This Matrix is incorporated by reference into the *Selling Guide*, and the related *Selling*

Table 5: HomeReady Mortgage Loans –

Cumulative LLPA Caps

If the sum of all applicable LLPAs exceeds the caps listed below, the excess will be waived at delivery, except as follows: LLPAs for Minimum Mortgage Insurance Coverage Option (Table 4) are in addition to the LLPA caps.

PRODUCT FEATURE	LLPA Caps	SFC
LTV > 80% and credit score \geq 680	0.000%	900
All other LTV ratios and credit score combinations	1.500%	900
PRODUCT FEATURE	LLPA	SFC
Pre-purchase housing counseling	-\$500	184

<ul style="list-style-type: none">Manufactured homeInvestment propertyCash-out refinance	<ul style="list-style-type: none">HomeStyle EnergyHigh-balance mortgage loan	<ul style="list-style-type: none">Multiple-unit propertyCondominium
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*LLPA for minimum mortgage insurance coverage (Table 4) are in addition to the LLPA caps

Fannie Mae LLPA differences

Table 5: HomeReady Mortgage Loans –

Cumulative LLPA Caps

If the sum of all applicable LLPAs exceeds the caps listed below, the excess will be waived at delivery, except as follows: LLPAs for Minimum Mortgage Insurance Coverage Option (Table 4) are in addition to the LLPA caps.

PRODUCT FEATURE	LLPA Caps	SFC
LTV > 80% and credit score \geq 680	0.000%	900
All other LTV ratios and credit score combinations	1.500%	900
PRODUCT FEATURE	LLPA	SFC
Pre-purchase housing counseling	-\$500	184

Table 1: All Eligible Mortgages – LLPA by Credit Score/LTV Ratio

Representative Credit Score	LTV Range						90.01 – 95.00%	95.01 – 97.00%	SFC
	Applicable for all mortgages with terms greater than 1 year						90.01 – 95.00%	95.01 – 97.00%	
\geq 740	0.000%	0.250%	0.250%	0.500%	0.250%	0.250%	0.250%	0.750%	N/A
720 – 739	0.000%	0.250%	0.500%	0.750%	0.500%	0.500%	0.500%	1.000%	N/A
700 – 719	0.000%	0.500%	1.000%	1.250%	1.000%	1.000%	1.000%	1.500%	N/A
680 – 699	0.000%	0.500%	1.250%	1.750%	1.500%	1.500%	1.250%	1.500%	N/A
660 – 679	0.000%	1.000%	2.250%	2.750%	2.750%	2.750%	2.250%	2.250%	N/A
640 – 659	0.500%	1.250%	2.750%	3.000%	3.250%	3.250%	2.750%	2.750%	N/A
620 – 639	0.500%	1.500%	3.000%	3.000%	3.250%	3.250%	3.250%	3.500%	N/A
< 620 ⁽¹⁾	0.500%	1.500%	3.000%	3.000%	3.250%	3.250%	3.250%	3.750%	N/A

(1) A minimum required credit score of 620 generally applies to all mortgage loans delivered to Fannie Mae; refer to detail.

Fannie Mae LLPA Differences

Standard

95% LTV- 1.25

– *\$2,500

95.01-97% LTV- 1.50

– *\$3,000

HomeReady

95% LTV- 0.0%

– \$0

95.01-97% LTV- 0.0%

– \$0

Example- 1 family, owner occupied, purchase, primary residence, fixed rate, non-manufactured property with a borrower underwriting credit score of 680. Loan amount is \$200,000

**Fees typically acknowledged in a rate differential*

Fannie Mae Mortgage Insurance Coverages

Standard

95% LTV- 30% Coverage

- \$180. monthly MI

95.01-97% LTV- 35% Coverage

- \$233.33 monthly MI

HomeReady

95% LTV- 25% Coverage

- \$156.66 monthly MI

95.01-97% LTV- 25% Coverage

- \$191.66 monthly MI

Monthly Premium MI (BPMI) – **Fixed**

Purchase, Full Doc, Primary Residence, Non-Refundable

Fixed			Amortization Term > 20 Years								
LTV	Coverage	Exposure	760+	740-759	720-739	700-719	680-699	660-679	640-659	620-639	
97% -95.01%	35%	63%	.55%	.75%	.95%	1.15%	1.40%	1.90%	2.05%	2.25%	
	25	73	.44	.63	.77	.93	1.15	1.52	1.67	1.81	
	18	80	.37	.54	.65	.78	.98	1.18	1.33	1.43	
95% -90.01%	30	67	.41	.59	.73	.87	1.08	1.42	1.50	1.61	
	25	71	.37	.52	.64	.75	.94	1.21	1.28	1.37	
	16	80	.32	.44	.54	.64	.78	1.02	1.10	1.20	
90% -85.01%	25	68	.30	.41	.50	.60	.73	1.00	1.05	1.10	
	12	79	.23	.30	.36	.41	.50	.65	.69	.77	
85% & Below	12	75	.19	.20	.23	.27	.32	.41	.43	.45	
	6	80	.18	.19	.22	.26	.31	.40	.42	.43	

Example- 1 family, owner occupied, purchase, primary residence, fixed rate, non-manufactured property with a borrower underwriting credit score of 680.

Loan amount is \$200,000 with monthly BPMI.

Genworth Mortgage Insurance pricing examples

Standard Program vs. HomeReady

1 unit
Owner Occupied
Purchase
Primary Residence
Fixed Rate
Non-manufactured property
Credit score of 680
Loan amount is \$200,000
Monthly BPMI

95% LTV

- ✓ *\$23.34 Monthly Savings*
- ✓ **\$2,500 Savings*

97% LTV

- ✓ *\$41.67 Monthly Savings @97% LTV*
- ✓ **\$3,000 Savings*



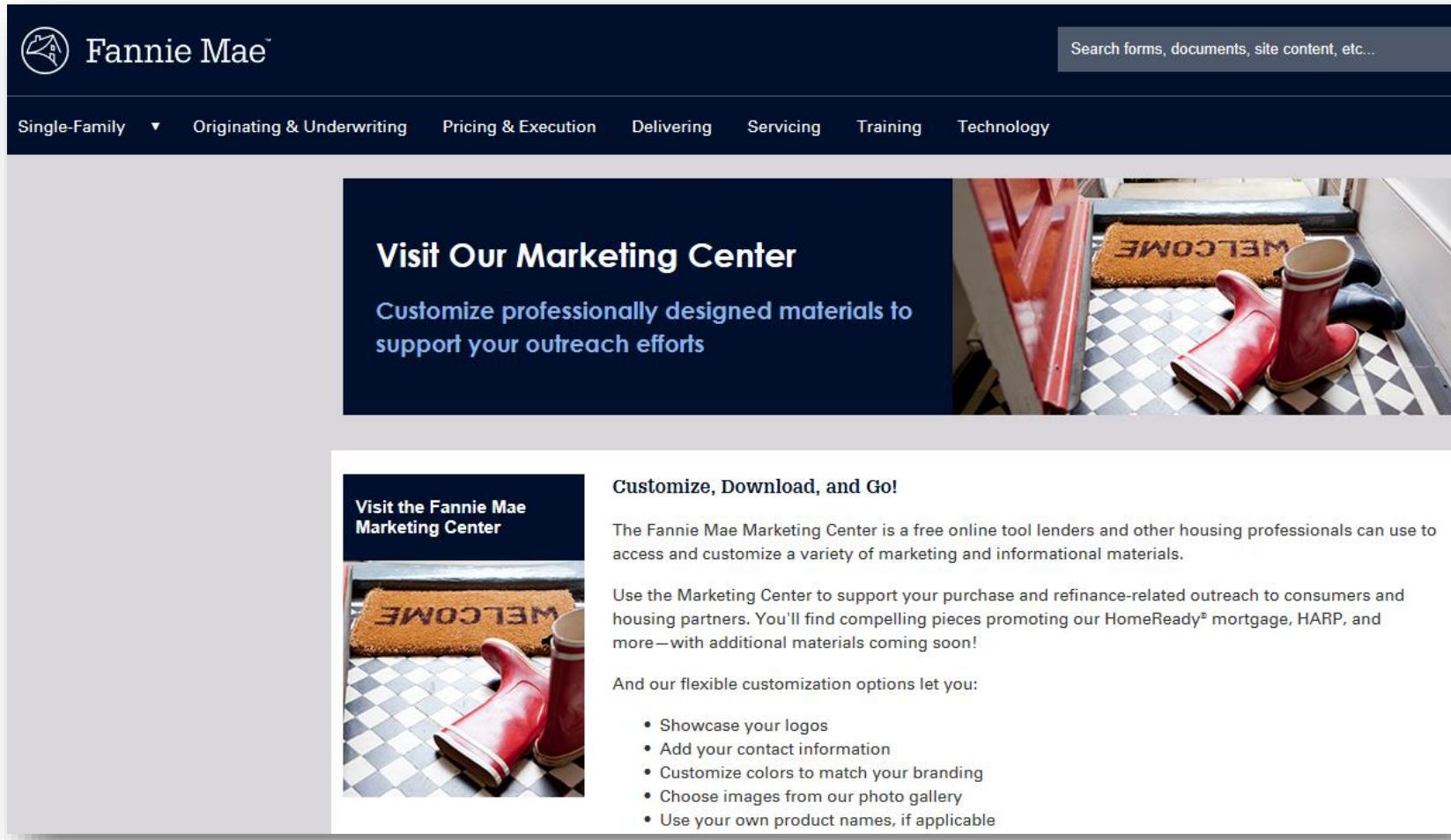
Borrower Satisfaction



More Referrals \$\$\$\$

**Fees typically acknowledged in a rate differential*

Fannie Mae Marketing Center



The screenshot shows the Fannie Mae Marketing Center website. The header features the Fannie Mae logo and a search bar. Below the header is a navigation bar with categories: Single-Family, Originating & Underwriting, Pricing & Execution, Delivering, Servicing, Training, and Technology. The main content area has a dark blue background with white text. It reads "Visit Our Marketing Center" and "Customize professionally designed materials to support your outreach efforts". To the right is a photograph of a red "WELCOME" doormat on a checkered floor with a pair of red boots. A sidebar on the left has a "Visit the Fannie Mae Marketing Center" button and the same photograph. The main text continues with "Customize, Download, and Go!", explaining the tool's purpose for outreach, and a list of customization options.

Visit Our Marketing Center

Customize professionally designed materials to support your outreach efforts

Customize, Download, and Go!

The Fannie Mae Marketing Center is a free online tool lenders and other housing professionals can use to access and customize a variety of marketing and informational materials.

Use the Marketing Center to support your purchase and refinance-related outreach to consumers and housing partners. You'll find compelling pieces promoting our HomeReady® mortgage, HARP, and more—with additional materials coming soon!

And our flexible customization options let you:

- Showcase your logos
- Add your contact information
- Customize colors to match your branding
- Choose images from our photo gallery
- Use your own product names, if applicable

Freddie Mac's

Home Possible and Home Possible Advantage

Home Possible Website

≡ MENU | HOME | Careers | Contact Us

SEARCH

Freddie Mac
We make home possible®

Connect With Us

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Single-Family

- Become a Freddie Mac Seller/Servicer
- Originate and Underwrite
- Sell and Deliver
- Affordable Lending
- Loan Advisor Suite
- Mortgage Products
- Home Possible Income & Property Eligibility
- Servicing
- The Guide and Forms
- Single-Family News Center
- Subscription Center
- The Learning Center
- Housing Professionals

Multifamily

Debt Securities

Mortgage Securities

Home Possible® Mortgages

Freddie Mac's 3%-5% Down Solution

Home Possible® mortgages offer low down payments for low- to moderate-income homebuyers or buyers in high-cost or underserved communities.

Watch the video to the right, and learn more below, to *Discover the Possibilities with Home Possible*.

■ Watch all the videos on YouTube



Which Home Possible Mortgage is Right For Your Borrower?

Home Possible: 95% LTV <ul style="list-style-type: none">LTV: Maximum LTV and TLTV of 95 percent.Property Options (video): 1-4 units, condos and planned-unit developments; manufactured homes are eligible with certain restrictions.Flexible Sources of Down Payments (video): Down Payment can come from a variety of sources, including friends and family, employer-assistance programs and secondary financing.	Home Possible Advantage: 97% LTV <ul style="list-style-type: none">LTV: Maximum LTV of 97 percent; TLTV 105 percent.Property Options: 1-unit properties, condos and planned unit developments; manufactured homes are not eligible.Flexible Sources of Down Payments (video): Down Payment can come from a variety of sources, including friends and family, employer-assistance programs and secondary financing.Stable Mortgages: Fixed-rate
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Home Possible Income & Property Eligibility Tool

Freddie Mac's updated map-based Home Possible Income & Property Eligibility tool makes it easy to determine if your borrower meets the income requirements for a Freddie Mac Home Possible mortgage.

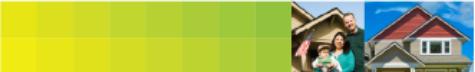
Key Resources

- Home Possible Fact Sheet [PDF]
- 2017 Loan Limits
- Home Possible online tutorial to meet homebuyer education requirement
- Find details on Home Possible mortgages in Chapter 4501 of *The Single-Family Seller/Servicer Guide*

Discover more flexibilities for energy efficient properties

<http://www.freddiemac.com/homepossible/>

Home Possible Overview and Benefits



Freddie Mac Home Possible® Mortgages

This fact sheet reflects the changes announced in Single-Family Seller/Servicer Guide [Bulletin 2015-21](#) and [Bulletin 2016-8](#) effective for mortgages with Freddie Mac settlement dates on or after July 1, 2016.

A responsible, low down payment mortgage option for first-time homebuyers and low- and moderate-income borrowers

Freddie Mac Home Possible® and Home Possible Advantage® mortgages (collectively referred to as Home Possible mortgages) offer outstanding flexibility and options to meet a variety of borrowers' needs. With Home Possible, you'll capitalize on opportunities to meet the home financing needs of low- and moderate-income borrowers looking for low down payments and flexible sources of funds.

Home Possible Advantage offers more flexibility for maximum financing. This offering adopts the responsible and affordable flexibilities of Home Possible, but with additional requirements.

Borrower Profile	Key Features	Borrower Benefits
You may offer this mortgage option for: <ul style="list-style-type: none">First-time homebuyers, move-up borrowers, and retirees.Families in underserved areas.Very low and low- to moderate-income borrowers.	<ul style="list-style-type: none">Purchase and no cash out refinancing.Maximum 97 percent LTV and 105 percent TLTW ratios for Home Possible Advantage.Mortgage Insurance options.Loan Product Advisor™ or manual underwriting.No reserves required for 1-unit properties.Delivery fee cap of 0.0 percent or 1.50 percent.	<ul style="list-style-type: none">Stable monthly payments with fixed-rate mortgages.Flexible sources of funds.Reduced mortgage insurance coverage levels for LTV ratios greater than 90 percent.Minimum down payment of 3 percent allowed for Home Possible Advantage.

www.FreddieMac.com Publication Number 572
January 2017

The information in this document is not a replacement or substitute for information found in the Single-Family Seller/Servicer Guide and/or the terms of your Master Agreement and/or Master Commitment.



Home Possible®: At-a-Glance

This reference provides a summary of requirements for Freddie Mac Home Possible® Mortgages*, and Freddie Mac Home Possible Advantage™. Home Possible Advantage offers additional flexibility of higher loan-to-value (LTV) and total loan-to-value (TLTV) ratios. For complete requirements, refer to Guide Chapter 4501: Home Possible Mortgages.

Feature	Home Possible	Home Possible Advantage
Occupancy	All borrowers must occupy the Mortgaged Premises as their Primary Residence	Same
Ownership of Other Property	Borrower(s) may not, as of the Note Date, or the Effective Date of Permanent Financing for Construction Conversion and Renovation Mortgages, have any individual or joint ownership interest in any other residential properties, <i>except as stated below</i> : The Borrower may have an ownership interest in a residential property other than the Mortgaged Premises if the Borrower does not occupy the property, and the Seller documents the following in the Mortgage file: <ul style="list-style-type: none">The Borrower inherited their ownership interest in the property and shares ownership with another party, orThe Borrower owns the property with another party and the debt associated with the property was assigned to the other party by a court order (e.g. divorce decree), orThe Borrower is a cosigner/guarantor on the related Mortgage debt and someone other than the Borrower has made payments on the debt associated with the property for the most recent 12 months, as documented with copies of canceled checks or a statement from the lender	Same
Income Limits	For Loan Product Advisor™ Mortgages, Loan Product Advisor will determine the income eligibility of the Mortgage; for Non-Loan Product Advisor Mortgages, the Seller should use the Home Possible Income & Property Eligibility . <ul style="list-style-type: none">The borrowers' annual income cannot exceed 100% of the area median income limits or a higher percentage in designated high cost areas as indicated in Guide Section 4501.7No income limits apply if the Mortgaged Premises is located in an Underserved Area Seller must attempt to verify all income reported on the Uniform Residential Loan Application. All reported income that is verified and meets the criteria for stable monthly income must be used to qualify the borrower and submitted to Loan Product Advisor for Loan Product Advisor Mortgages	Same

Note: Vertical revision bars " | " are used in the margin of this quick reference to highlight new requirements and significant changes.

December 2016 www.FreddieMac.com/eam/

http://www.freddiemac.com/singlefamily/factsheets/sell/pdf/home_possible_97_572.pdf

Home Possible Quick Facts

- Purchase and no cash out refinancing
- Maximum 97% LTV and 105% TLTVA ratios for Home Possible Advantage
- Stable monthly payments with fixed-rate mortgage offerings
- Reduced Mortgage insurance coverage levels for LTV ratios greater than 90%
- No reserves required for 1-unit properties
- Delivery fee cap of 0.0% or 1.5%
- Simple income eligibility
 - Underserved areas
 - No income limit
 - High cost areas
 - [Home Possible Income and Property Eligibility Tool](#)
 - All other property locations
 - 100% of area median income

Freddie Mac Postsettlement Delivery Fees



Exhibit 19

Postsettlement Delivery Fees

1. Postsettlement Delivery Fees ("delivery fees") for Mortgages with Special Attributes – This Delivery Fee Matrix sets forth the delivery fee amounts and/or delivery fee rates and credits applicable to certain Mortgages that, because of the type of mortgage product, loan purpose, Mortgaged Premises or other attributes (the "special attributes"), are subject to a delivery fee or receive a delivery fee credit pursuant to the provisions of the Guide. This Delivery Fee Matrix also sets forth a maximum total amount that may be assessed on certain Mortgages, such maximum total amount otherwise referred to as a "cap."
2. Delivery Fees are Cumulative – A particular Mortgage that has various special attributes may be subject to more than one delivery fee. The cumulative delivery fees applicable to such a Mortgage will be the sum of the delivery fees required with respect to each of the special attributes of the Mortgage.
3. Payment of Delivery Fees and application of Delivery Fee credits – Delivery fees are paid and credits are applied in accordance with the provisions in Chapter 6303 of the Guide. However, for Mortgages sold through the Freddie Mac Selling System under the Cash Program, delivery fees and credits will be netted from the proceeds due to the Seller at funding.
4. Mortgage Eligibility – Sellers should review the Guide and their other Purchase Documents to determine the eligibility of Mortgages with specific special attributes for which a delivery fee rate or credit is shown on this Exhibit.

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Freddie Mac Postsettlement Delivery Fees

HOME POSSIBLE AND HOME POSSIBLE ADVANTAGE MORTGAGES DELIVERY FEE CAP ²³			
Effective for Settlement Dates on or after July 1, 2016			
Product	LTV Ratios	Credit Score	Cap
All Eligible Product	> 80%	≥ 680	0.00%
		< 680	1.50%
	≤ 80%	All	1.50%

23 All applicable delivery fees are subject to the Home Possible and Home Possible Advantage delivery fee cap with the exception of the custom mortgage insurance delivery fee, which will be added to the delivery fee cap.

Exhibit 19 – Postsettlement Delivery Fees

The following Indicator Score / Loan-to-Value Grid applies to all Mortgages with the exception of Relief Refinance Mortgages, 15-year fixed rate Mortgages, Home Possible Mortgages, Home Possible Advantage Mortgages, Section 184 Native American Mortgages, Section 502 GRH Mortgages, FHA / VA Mortgages, and Mortgages subject to CS/LTV (A-minus) delivery fees.

INDICATOR SCORE / LOAN-TO-VALUE FOR MORTGAGES OTHER THAN RELIEF REFINANCE MORTGAGES ^{1, 2, 3}								
Product	Credit Score ^{1, 2}	LTV Ratios						
		All Eligible						
All Eligible Product	≥ 740	0.00%	0.25%	0.25%	0.50%	0.25%	0.25%	0.25%
	≥ 720 & < 740	0.00%	0.25%	0.50%	0.75%	1.25%		
	≥ 700 & < 720	0.00%	0.50%	1.00%	1.25%	1.25%		
	≥ 680 & < 700	0.00%	0.50%	1.25%	1.75%	1.25%		
	≥ 660 & < 680	0.00%	1.00%	2.25%	2.75%	2.75%	2.25%	2.25%
	≥ 640 & < 660	0.50%	1.25%	2.75%	3.00%	3.25%	2.75%	2.75%
	≥ 620 & < 640	0.50%	1.50%	3.00%	3.00%	3.25%	3.25%	3.25%
	< 620	0.50%	1.50%	3.00%	3.00%	3.25%	3.25%	3.25%

1 Indicator Score / LTV Fee assumes the use of the middle/lower then lowest method outlined in Section 5203.2 of the Guide for identifying the Mortgage Indicator Score. An additional 0.25% delivery fee will be added to the Indicator Score/ Loan-to-Value fee rate if a method other than the middle/lower then lowest method is used for identifying the Mortgage Indicator Score. Freddie Mac reserves the right to adjust fee rates if Freddie Mac determines that Sellers inconsistently use the recommended method and the permitted methods to identify Indicator Scores for Mortgages delivered to Freddie Mac. See Section 5203.2 (e) for details.

2 Mortgages without an Indicator Score will be charged the below 620 Indicator Score / Loan-to-Value Fee.

3 Sellers should refer to the Guide and their other Purchase Documents for other requirements and restrictions. For Mortgages with LTV ratios delivered in excess of the Guide requirements, the highest delivery fee rate will apply.

Freddie Mac Postsettlement Delivery Fee Differences

Standard

95% LTV- 1.25

– *\$2,500

Home Possible and Home Possible Advantage

95% LTV- 0.0%

– \$0

95.01-97% LTV- 0.0%

– \$0

Example- 1 family, owner occupied, purchase, primary residence, fixed rate, non-manufactured property with a borrower underwriting credit score of 680.

Loan amount is \$200,000

**Fees typically acknowledged in a rate differential*

Mortgage Insurance Requirements

Home Possible and Home Possible Advantage Mortgages						
Transaction Type	MI Coverage	LTV Ratio				
		>80% & ≤85%	>80% & ≤90%	>90% & ≤95%	>95% & ≤97%	
Fixed-rate, term ≤ 20 years	Standard	6%	12%	25%	25%	
	Custom ¹	N/A	N/A	16%	18%	
Fixed-rate, term > 20 years; ARMS; and manufactured homes ²	Standard	12%	25%	25%	25%	
	Custom ¹	6%	12%	16%	18%	

Freddie Mac Mortgage Insurance Coverages

Standard

95% LTV- 30% Coverage

– \$180. monthly MI

Home Possible

95% LTV- 25% Coverage

– \$156.66 monthly MI

95.01-97% LTV- 25% Coverage

– \$191.66 monthly MI

Monthly Premium MI (BPMI) – **Fixed**

Purchase, Full Doc, Primary Residence, Non-Refundable

Fixed			Amortization Term > 20 Years								
LTV	Coverage	Exposure	760+	740-759	720-739	700-719	680-699	660-679	640-659	620-639	
97% -95.01%	35%	63%	.55%	.75%	.95%	1.15%	1.40%	1.90%	2.05%	2.25%	
	25	73	.44	.63	.77	.93	1.15	1.52	1.67	1.81	
	18	80	.37	.54	.65	.78	.98	1.18	1.33	1.43	
95% -90.01%	30	67	.41	.59	.73	.87	1.08	1.42	1.50	1.61	
	25	71	.37	.52	.64	.75	.94	1.21	1.28	1.37	
	16	80	.32	.44	.54	.64	.78	1.02	1.10	1.20	
90% -85.01%	25	68	.30	.41	.50	.60	.73	1.00	1.05	1.10	
	12	79	.23	.30	.36	.41	.50	.65	.69	.77	
85% & Below	12	75	.19	.20	.23	.27	.32	.41	.43	.45	
	6	80	.18	.19	.22	.26	.31	.40	.42	.43	

Example- 1 family, owner occupied, purchase, primary residence, fixed rate, non-manufactured property with a borrower underwriting credit score of 680.

Loan amount is \$200,000 with monthly BPMI

Genworth Mortgage Insurance pricing examples

Standard Program vs. Home Possible

1 unit
Owner Occupied
Purchase
Primary Residence
Fixed Rate
Non-manufactured property
Credit score of 680
Loan amount is \$200,000
Monthly BPMI

95% LTV

- ✓ \$23.34 *Monthly Savings*
- ✓ *\$2,500 *Savings*

97% LTV

- ✓ 97% *LTV Allowed!*
- ✓ \$41.67 *Monthly Savings @97% LTV*
based on conventional requirements
- ✓ *\$3,000 *Savings*



Borrower Satisfaction



More Referrals \$\$\$\$

**Fees typically acknowledged in a rate differential*

Freddie Mac Marketing Options

► Information for lenders

▼ Reach out to real estate professionals, housing counselors and mortgage brokers

Spread the word about Home Possible among your real estate professional, housing counselor and mortgage broker network using the following resources:

1. Customizable postcards:



Postcard for REPs

- [English \[DOC\]](#)
- [Spanish \[DOC\]](#)



Postcard for Brokers

- [English \[DOC\]](#)
- [Spanish \[DOC\]](#)

2. **Freddie Mac Real Estate Professionals Resource Center** – Send real estate professionals to this comprehensive resource website.
3. **Freddie Mac Housing Counselors Resource Center** – Direct the housing counselors in your network to Freddie Mac's website dedicated to serving their needs.
4. **Down Payment Assistance** – Point your partners to [DownPaymentResource.com](#) to help them help their clients find down payment funds.
5. **Networking and Training Opportunities** – Build your network of housing counselors and real estate professionals at these events.
6. **Mortgage Broker Resources** – Refer to Lender Resources for more information.

Homebuyer Education

Genworth's online course helps you help more borrowers!



Meet **Homebuyer Ed.**
He wants to buy a house and doesn't know where to start.

Homebuyer Education Online Course

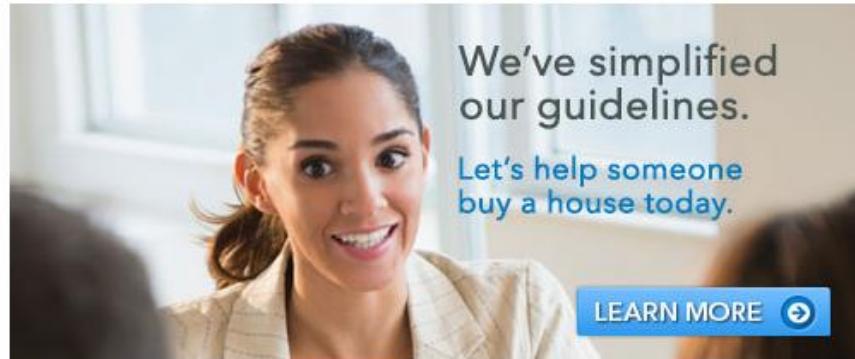
You've seen it before. A first time homebuyer, like **Ed**, that simply doesn't know where to start or how to prepare for the home loan process. Genworth's new online **Homebuyer Education** course is a great resource for this homebuyer.

- No fee!
- Self-paced learning
- Mobile device friendly
- Pre and Post home purchase tips and resources
- Emailed Certificate to you and your borrower upon Completion
- Meets the National Industry Standards for Homeownership Education
- Satisfies the education requirement for HomePossible

Fannie Mae's HomeReady program requires Framework Homebuyer Education

Register your borrowers at: <https://homebuyereducation.genworth.com/register>

An *E*ducated Borrower Makes a Better Homeowner and Decreases Delinquencies



 Find and compare MI rates. Get HARP info. Compare our rates to FHA!

Rate Express
Rates and Comparisons Tool

 Road to Homeownership

Homebuyer Education
Online Course

Spanish, English and landlord versions available.

 Submit loans. Find rates. Save time!

TECH CONNECTIONS

Let's help someone buy a house today.

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Need help? Call the ActionCenter® at 800 444.5664 Mon – Fri 8 am – 8 pm ET, or email us at Action.Center@Genworth.com.

mi.genworth.com

Quick Reference Guide and Webinars

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MI | Tech Connections | Lender Services | **Training** | Rates & Guidelines | Resource Center

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TRAINING

Genworth Mortgage Insurance offers a comprehensive suite of training opportunities to boost your know-how, benefit your bottom line, and serve your borrowers better.

What You Get with Training from Genworth

For more information about Genworth Training offerings please contact your [Genworth Representative](#).

Webinar Schedule

Our webinar sessions address topics that are essential to mortgage professionals.

[Monthly Webinar Calendars Course Catalog](#)

Sign up to receive the monthly training webinar calendar [here](#).

Self-Employed Borrower Calculators

Income Calculation Tools and Reference Guides

Mortgage Insurance discussed in this website is underwritten by Genworth Mortgage Insurance Corporation.

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MI Tech Connections Lender Services Training Rates & Guidelines Resource Center

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RECORDED WEBINARS

Did you miss a webinar presented by the Genworth Mortgage Insurance Training Team? Don't worry, we've recorded a number of sessions that you can go back and watch at your own pace.

TO WATCH A WEBINAR

Simply select a course category then click the Watch button below a specific course to be directed to the registration page. When you are ready to take the course out the registration form and then you can watch the webinar immediately. The course materials for each are included below each course listing.

Webinar Schedule

Our webinar sessions address topics that are essential to mortgage professionals

Fannie Mae's HomeReady®
An overview of Fannie Mae's newest product HomeReady, which will be replacing MyCommunityMortgage, is highlighted. Product eligibility and underwriting options as well as mortgage insurance guidelines are reviewed.

[WATCH WEBINAR](#) Total time: 27 MINS

Freddie Mac's Home Possible® Mortgages
This course can help you get more borrowers into homes using Freddie Mac's program for first time homebuyers and low income borrowers.

[WATCH WEBINAR](#) Total time: 54 MINS

 [Course Materials \(1,738K\)](#)

INDUSTRY TOPICS

- ◆ [Rate Cards](#)
- ◆ [Rate Express Rates & Comparisons Tool](#)
- ◆ [Guidelines](#)**
- ◆ [Making Home Affordable](#)
- ◆ [Find My Rep](#)

RATES & GUIDELINES

Access our mortgage insurance rates and get Genworth Mortgage Insurance Underwriting Guidelines at the click of a mouse.

[Rate Cards](#)

View and print our rates in Adobe PDF format.

[Rate Express Rates and Comparisons Tool](#)

Find rates and compare them fast! Use Rate Express online or on-the-go using our mobile app!

- Find an MI Rate
- Compare MI Products
- Compare MI to FHA
- Get HARP info (online only)

 [Rate Express](#) (426K)

 [Downloading Our Mobile App](#) (268K)

 [Mobile App User Guide](#) (1,728K)

[Guidelines](#)

View and print our mortgage insurance underwriting guidelines in Adobe PDF format... as a complete set or as you need them.

[Making Home Affordable](#)

Access the information and tools you need for submitting to Genworth under the Home Affordable Refinance Program and the Home Affordable Modification Program.

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Introducing the Rate Express Mobile App

[Watch](#) a video about the making of the Rate Express mobile app for smartphone and tablet users and learn about its features and benefits.

Underwriting Guidelines

Genworth Mortgage Insurance underwritten by:
Genworth Mortgage Insurance Corporation



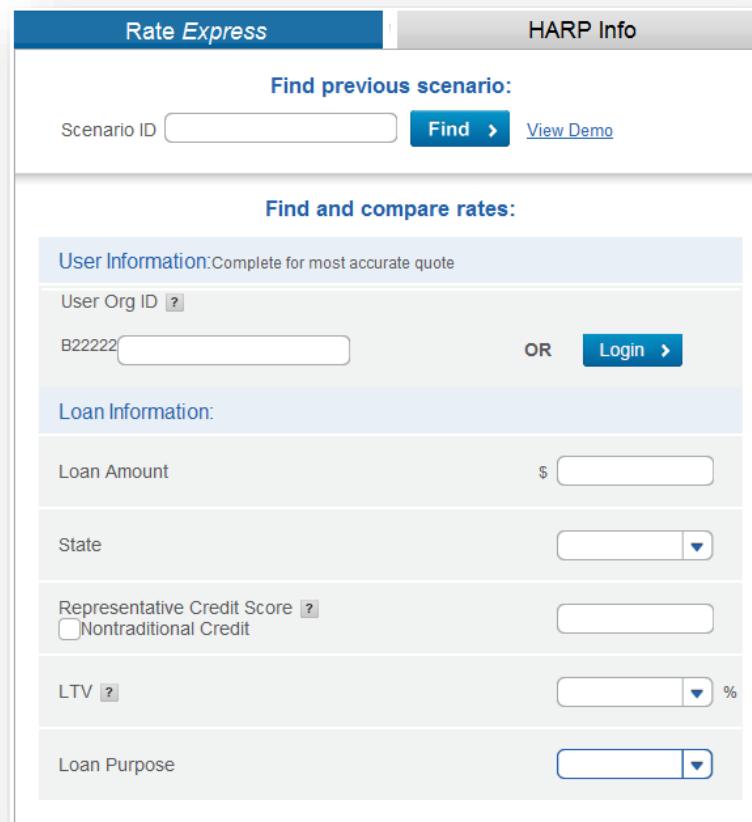
Let's help someone buy a house today.

Genworth 

Rate Express®

Access Genworth Rates Using Rate Express Mobile App Or Desktop

- Only 5 Required Fields
- Find Our MI Rates And Products And
- Find Previous Quotes With “Scenario ID”
- Like The Rate?
 - Order MI Directly From The Results Screen!
- Compare Up To 4 Quotes!



The screenshot shows the Rate Express desktop application interface. At the top, there is a header with the 'Rate Express' logo on the left and 'HARP Info' on the right. Below the header, there are two main sections: 'Find previous scenario:' and 'Find and compare rates:'. The 'Find previous scenario:' section contains a 'Scenario ID' input field, a 'Find' button, and a 'View Demo' link. The 'Find and compare rates:' section is divided into 'User Information' and 'Loan Information'. The 'User Information' section includes a 'User Org ID' input field with 'B22222' entered, an 'OR' link, and a 'Login' button. The 'Loan Information' section includes fields for 'Loan Amount' (with a dollar sign icon), 'State' (with a dropdown arrow), 'Representative Credit Score' (with a checkbox and 'Nontraditional Credit' link), 'LTV' (with a dropdown arrow and percentage icon), and 'Loan Purpose' (with a dropdown arrow). The entire interface has a clean, modern design with a light blue header and white background.

Genworth Resources

Add the Expertise of Genworth to Your Support Team

Genworth Mortgage Insurance is working to make sure you have the resources you need, when you need them. These seasoned professionals will help you with Genworth's expanding suite of mortgage insurance solutions and demonstrate why MI is a better way to buy a home in today's market. Easy to reach. Easy to work with. Every time.

Please address questions to one of Genworth's Expert Underwriters:



Heidi Almen
Regional Underwriter Manager for:
MN, ND, SD & WI
800.866.1624, ext. 3084 (Phone)
800.943.1640 (Fax)
heidi.almen@genworth.com



Amy Hopkins
Regional Underwriter Manager for:
AL, FL, GA, NC, SC, & TN
800.289.4344, ext. 3226 (Phone)
800.937.2968 (Fax)
amy.hopkins@genworth.com



Patti Eswein
Regional Underwriter Manager for:
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800.677.6754, ext. 4412 (Phone)
800.688.0145 (Fax)
patti.eswein@genworth.com



Robert Grolmund
Regional Underwriter Manager for:
DC, MD, VA, & WV
800.334.3754, ext. 4178 (Phone)
800.249.2424 (Fax)
robert.grolmund@genworth.com



Elizabeth Monteiro
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800.225.2430, ext. 2378 (Phone)
800.253.5470 (Fax)
elizabeth.monteiro@genworth.com



Pat Norr
Regional Underwriter Manager for:
IL, IN, KY, MI, & OH
800.873.4314, ext. 2710 (Phone)
800.944.2042 (Fax)
pat.norr@genworth.com



Donna Muratalla
Regional Underwriter Manager for:
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donna.muratalla@genworth.com



Kitty Clark
Regional Underwriter Manager for:
AR, LA, MS, OK & TX
800.866.4406, ext. 4578 (Phone)
800.846.1244 (Fax)
kitty.clark@genworth.com



Tina Townsend-Locken
Regional Underwriter Manager for:
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800.866.8683, ext. 2179 (Phone)
800.346.7961 (Fax)
tina.townsend-locken@genworth.com



Eileen Strouse
Regional Underwriter Manager for:
DE, NJ, & PA
800.288.4364, ext. 3152 (Phone)
800.272.1235 (Fax)
eileen.strouse@genworth.com



Bill Wippich
Regional Underwriter Manager for NY
800.548.0984, ext. 4151 (Phone)
800.346.7961 (Fax)
branch.albany@genworth.com



Natalie Stokes
Regional Underwriter Manager for:
AK, AZ, NM, CO & WY
800.866.8683, ext. 2066 (Phone)
800.799.7938 (Fax)
natalie.stokes@genworth.com

To deliver a full package for underwriting, simply log on to mi.genworth.com, locate the appropriate underwriting section and select the applicable option for your file.

We look forward to serving you, and welcome any feedback that will help us make your loan submission process as fast and easy as possible.

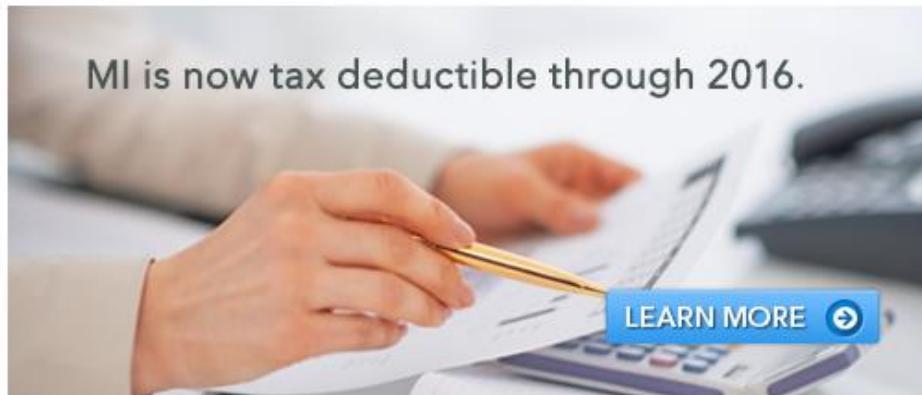


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Let's help someone buy a house today.

Homebuyer Privileges®

Genworth's Homebuyer Privileges Program Offers Discounts On Products And Services That Homeowners Need Most For Their Home

- Offers From National and Local Retailers Valued At Up To **\$7,500** Available to Your Borrowers
- View Sample Offers At homebuyerprivileges.com
- Marketing, Program Support And Promotional Materials Are All Provided By Genworth
- For Use On **All** Of Your Loans



Lender Participation Code ####

Homebuyer Privileges ID #####

Available At No Cost To You And Your Borrowers

Homebuyer Privileges Money-Saving Offers

Savings valued up to \$7,500 available from retailers like Target, Costco, Sears Commercial, Best Buy PLUS offers from...

 GE APPLIANCES a Haier company	Varies	Savings and rebates on a wide variety of appliances		\$10	Save \$10 off a \$40 purchase
	15%	15% off unlimited purchase		\$10	\$10 off any purchase over \$50
	15%	15% Off \$30 Purchase		Varies	Insurance coverage doubled at no cost, non-peak rates and priority dispatching
	5%	5% off orders over \$99 and Free Shipping		20%	Free Credit Score and \$1 Credit Report, with a 20% discount on monthly credit monitoring services
	Varies	Discounts and Rebates off self storage		50%	Up to 50% off hotel bookings



Homebuyer Privileges Money-Saving Offers



25%

25% off standard rates



clubfurniture.com

10%

10% off total purchase and free shipping



REPLACEMENTS, LTD.

\$200

10% Off of \$2000 purchase



10%

10% Off all moving services and 1st month of portable storage



Right Rugs • Right Price • Right Away

20%

20% off of total purchase and free shipping



\$120

Save \$120 on qualifying Verizon triple play bundles



the warranty group[®]

50%

Save up to 50% on an extended warranty for your new purchased appliance or electronic equipment



\$20

Save 15% on Smart Lawn Watering Controller



Sample Homebuyer Privileges Vendors

A-D	E-N	O-Z
<ul style="list-style-type: none">• 1-800-Baskets• 1-800-FLOWERS• ADT Security• Allied Van Lines• AMC Theatres• AVIS• Bed Bath & Beyond• Best Buy• Blinds.com• Brooks Brothers• Budget Rental Cars• Busch Gardens• Chili's• Cinemark Theaters• Club Furniture• Complete Auto360• Costco• Dell• Dish Network• Disneyland	<ul style="list-style-type: none">• Edible Arrangements®• Firestone Complete Auto Care• GE Appliances, a Haier company• Great Wolf Lodge• H&R Block• Hewlett Packard• Jiffy Lube• Jos. A. Banks• Kennedy Space Center• Knott's Berry Farm• LA Fitness• Legoland California• Lenovo• Macaroni Grill• Macy's• Maggiano's• Member Travel Specials• North American Van Lines	<ul style="list-style-type: none">• Office Depot• On The Border• Outback Steakhouse• Panasonic• Papa Johns• Penske Truck Rental• Regal Movie Theaters• RugsDoneRight.com• Sam's Club• San Diego Zoo• Sea World• Sears Commercial• Sears Tower Skydeck• Six Flags• Target• TransUnion• TrueCar• UBOXES• Universal Studios

Cancellation Summary - HPA in Black

Understanding Disclosure and Cancellation Procedures

Mortgage insurance can make a big difference in how quickly your mortgage loan is approved and it can help you buy your home with a lower down payment than you expected. Even better, the Homeowners Protection Act of 1998 established rights for homeowners and identified rules for cancelling borrower-paid MI.

Disclosure and the Law

Disclosure simply informs you of the status of your MI. There are two types of disclosure:

- **Initial Disclosure:** At closing, your lender must give you a written notification, explaining that you have MI on your mortgage, and that it can be cancelled in the future, once certain conditions have been satisfied.
- **Annual Disclosure:** The law requires your lender to send you an annual reminder that you have MI and can request cancellation once you've met cancellation requirements.

For more information

To learn more, contact the Genworth ActionCenter® at 800 444.5664.

*There are exceptions for borrowers in "high risk" mortgages. Check with your servicer about whether your mortgage falls into this category. Cancellation is not available on certain loan types or loans insured with lender-paid mortgage insurance.

Genworth Mortgage Insurance provides this summary as a courtesy to its customers. It is not definitive of all aspects of the Homeowners Protection Act of 1998 nor is it legal advice or a legal opinion, and may not be relied upon as such.



Fannie Mae/Freddie Mac borrower-paid mortgage insurance cancellation summary

Both Fannie Mae and Freddie Mac amended their guidelines to comply with the Homeowners Protection Act (HPA) of 1998, and updated their guidelines for loans not covered by the HPA. A summary of Fannie Mae's and Freddie Mac's guidelines is provided below. The guidelines not covered by HPA are in red text.

Automatic Termination Guidelines	Fannie Mae	Freddie Mac
Mortgages Closed On or After 7/29/99: Payments Must be Current; • 1 Family Principal Residence/Second Home	Automatic termination: The earlier of (1) the date the mortgage balance is first scheduled to reach 78% of the original value; or (2) the month following the mid-point of the amortization period.	Automatic termination: The earlier of (1) the date the mortgage balance is first scheduled to reach 78% of the original value; or (2) the month following the mid-point of the amortization period.
• 2-4 Family Principal Residence or 1-4 Unit Investment Property	Automatic termination: The month following the mid-point of the amortization period.	Not eligible for automatic cancellation.
Mortgages Closed Before 7/29/99: Payments Must be Current; • 1 Family Principal Residence/Second Home	Automatic termination: The month following the mid-point of the amortization period.	Automatic termination: The month following the mid-point of the amortization period.
• 2-4 Family Principal Residence or 1-4 Unit Investment Property	Automatic termination: The month following the mid-point of the amortization period.	Not eligible for automatic cancellation.

Borrower Initiated Cancellation Guidelines	Fannie Mae	Freddie Mac
Cancellation Evaluation Based on Original Value: Mortgages Closed on or After 07/29/99; • 1 Family Principal Residence/Second Home	Cancellation date: The earlier of (1) the date the mortgage balance is first scheduled to reach 80% of the original value; or (2) the day the mortgage balance actually reaches 80% of the original value.	Cancellation point: LTV ratio, which may be based on the amortization schedule or actual payments, must be 80% or less of the original value.
• 2-4 Family Principal Residence or 1-4 Unit Investment Property	Cancellation date: The date the mortgage balance actually reaches 70% of the original value.	Cancellation point: LTV ratio must be 65% or less of the original value.
Cancellation Evaluation Based on Original Value: Mortgages Closed Before 07/29/99 • 1 Family Principal Residence/Second Home	Cancellation date: The date the mortgage balance actually reaches 80% of the original value.	Cancellation point: LTV ratio must be 80% or less of the original value.
• 2-4 Family Principal Residence or 1-4 Unit Investment Property	Cancellation date: The date the mortgage balance actually reaches 70% of the original value.	Cancellation point: LTV ratio must be 65% or less of the original value.

Mortgage insurance cancellation must be approved at the above cancellation dates/points provided the following criteria are satisfied:

Payment Status: Must be current.

Payment History: Fannie Mae & Freddie Mac – No 30-day lates in the preceding 12 months and no 60-day lates in the preceding 24 months.

Evidence of Value: Satisfy lender requirements of no decline in value since origination and no subordinate liens.

Fannie Mae – Servicer's warranty (that current value is at least equal to the original value), certification of value, BPO or appraisal (broker or appraisal fees may be at borrower's expense).

Freddie Mac – Servicer warranty (that value supports LTV ratio), BPO from vendor network or appraisal (broker or appraisal fees are at borrower's expense).

Other Conditions:

Fannie Mae & Freddie Mac – No minimum seasoning requirements.

Freddie Mac – Must be no other default under The Security Instrument in the last 12 months for 2-4 Family Principal Residence or 1-4 Unit Investment Property.

continued on back...

<https://mortgageinsurance.genworth.com/pdfs/Marketing/GENERAL%20MARKETING-%20Cancellation%20Flier.pdf>

GENWORTH RESOURCES

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Legal Disclaimer

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