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EMERYVILLE, Calif., July 31, 2013 /PRNewswire/ -- National Mortgage Insurance Corporation (National MI) announced today that it has agreed to insure an amount approximating \$5 billion in residential mortgages in its first risk transfer transaction with Fannie Mae, with an expected effective date in the third quarter of 2013. The transaction is contingent on National MI receiving regulatory approval of the pool policy of insurance by the District of Columbia Department of Insurance, Securities and Banking.

(Logo: <http://photos.prnewswire.com/prnh/20130731/FL56494LOGO>)

The transaction was offered through a formal bid process to private mortgage insurers. Fannie Mae selected National MI as the insurer based on its favorable terms and conditions, and beneficial risk share attributes.

National MI began writing business in April of this year. Both Fannie Mae and Freddie Mac approved National MI as a qualified mortgage insurer in January of 2013.

About National MI

Founded in 2012, National Mortgage Insurance Corporation (National MI) is headquartered in Emeryville, California, in the San Francisco Bay Area. NMI Holdings, Inc., National MI's parent company, raised over \$500 million of capital in a private placement of its securities in April 2012 and is led by an experienced management team. National MI has received approval from Fannie Mae and Freddie Mac as a qualified mortgage insurer, and has been approved to provide mortgage insurance in 48 states and the District of Columbia. To learn more about National MI, visit www.nationalmi.com

A registration statement relating to certain shares of common stock of NMI Holdings, Inc., the parent company of National MI, has been filed with the U.S. Securities and Exchange Commission but has not yet become effective. These shares may not be sold, nor may offers to buy be accepted, prior to the time the registration statement becomes effective. This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the ordinary shares in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

Forward-Looking Statements Certain statements and information included in this release may constitute "forward looking statements" within the meaning of the Federal Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance, or achievements of National MI to be materially different from any future results, performance, or achievements expressed or implied in such forward looking statements. The company does not undertake any obligation to update any forward-looking statements, or to make any other forward-looking statements, whether as a result of new information, future events or otherwise.

Press Contact

Mary McGarity
[Strategic Vantage Mortgage Public Relations](mailto:MaryMcGarity@StrategicVantage.com)
MaryMcGarity@StrategicVantage.com
(203)513-2721