



Essent Guaranty, Inc.

Immediate Release

Essent Guaranty, Inc. Approved by Fannie Mae and Freddie Mac as Qualified Mortgage Insurance Company

Radnor, PA – February 18, 2010 – Essent Guaranty, Inc. (“Essent”), a mortgage insurer founded to provide private capital to America’s housing finance system, today announced that it has been approved as a qualified mortgage insurer by Fannie Mae and Freddie Mac. The two government-sponsored enterprises (“GSEs”) are chartered by Congress with a mission to provide liquidity, stability and affordability to the U.S. housing and mortgage markets.

Fannie Mae is ready to accept loans with notes dated on or after February 18, 2010 with mortgage insurance from Essent. Freddie Mac anticipates being ready to accept business from Essent by April 1, 2010. Both GSEs will be communicating directly to lenders regarding the timing and process.

“The GSEs’ approvals officially launch our entry into the mortgage insurance business and enable us to begin supporting qualified borrowers,” said Mark Casale, President and CEO of Essent. “We’ve heard from lenders, borrowers and state regulators that there is a real need for a strong, new mortgage insurance company, and we’re pleased to support this critical segment of the housing finance market.”

“We thank both GSEs for their approval of our application, as well as their support of Essent,” added Casale. “We look forward to working with lenders and the GSEs in the coming months and years to deliver exceptional mortgage insurance products that will help create affordable homeownership opportunities for qualified borrowers across the country.”

“We appreciate the efforts that Essent has made during the past year to meet our eligibility requirements and obtain their qualified mortgage insurer approval to serve Fannie Mae’s seller/servicer network,” said Carlos Perez, Fannie Mae Vice President of Risk Management. “We are pleased to have a new mortgage insurance partner to offer much needed capacity to our market.”

“Freddie Mac is pleased to have approved Essent as a new qualified mortgage insurer,” said Daniel Kelly, Director of Mortgage Insurer Relations at Freddie Mac. “Essent’s entry comes at a time of real need in the market for mortgage insurance capacity.”

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“As Essent’s domestic regulator, we were pleased to have sponsored the company during its successful participation in the National Association of Insurance Commissioners’ expedited licensing pilot program, where it has received 45 state approvals to date,” said Joel Ario, Commissioner of the Pennsylvania Insurance Department. “We congratulate Essent for working constructively with Fannie Mae and Freddie Mac to become a qualified mortgage insurer for the GSEs. More families may now have greater access to mortgage financing and achieve their dream of an affordable home with a reasonable down payment through the benefit of mortgage insurance.”

The charter of the GSEs requires that loans with a loan to value ratio in excess of 80 percent have additional credit support to protect the GSEs against losses. The most common form of this credit support is private mortgage insurance, which pays an insurance benefit to the lender, or investor in a mortgage loan, in the event of a foreclosure or certain other circumstances arising from a default and resulting in loss to the insured. Mortgage insurance is backed by private capital, and is subject to strict state regulation. By providing mortgage investors with protection from credit losses, mortgage insurance from Essent helps families purchase or refinance a home when they cannot afford a large down payment.

About Essent

Essent Guaranty, Inc. is a member of the Essent Group Ltd. family of companies, which offer private mortgage insurance and reinsurance coverage for single-family mortgage loans in the United States. The company has \$500 million in invested and committed equity funding from a group of experienced financial services investors, including Pine Brook Road Partners, Goldman Sachs, J.P. Morgan, PartnerRe, and RenaissanceRe Ventures Ltd.

Essent’s mission is to support homeownership for borrowers who can afford a home, but not a large down payment, by insuring mortgage lenders and investors from credit losses. The company will achieve this mission by providing private capital to take mortgage credit risk, and working as a risk management partner with lenders and other mortgage investors. The company’s headquarters are in Radnor, Pennsylvania. Additional information may be found at www.essent.us.

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