



50 Years of Ginnie Mae

We make affordable housing a reality.

Since 1971, Ginnie Mae has helped finance loans so that more than 53 million Americans could realize the dream of homeownership.

Our mission is to make it easier for Americans to buy homes, and to help ensure families have access to affordable rental options. No other government housing program has had a greater impact on the most families with the least risk to taxpayers — and we do it all while managing a portfolio of \$2 trillion.

Ginnie Supports Safe and Affordable Housing

We guarantee MBS backed by:



Federal Housing Administration (FHA)



U.S. Department of Veterans Affairs (VA)



U.S. Department of Agriculture's Rural Development (RD)



HUD's Office of Public and Indian Housing (PIH)

Ginnie Makes it Happen

Provides explicit government guarantees on mortgages for:

- Low- to middle-income families
- America's veterans
- First-time homebuyers

Provides liquidity and stability in the housing finance market by ensuring lenders have the funds to offer mortgage loans

Earns enough revenue to support its budget and contribute \$1.7 billion for the U.S. Treasury annually

Ginnie Mae securities carry the same credit risk as U.S. Treasuries but offer investors a higher yield

Ginnie's business model is unique in the market.

Ginnie Mae

Wholly-Owned Government Corporation

Explicit Guarantee to Investors

Government-Insured Loans (FHA, VA, PIH, RD)

Mortgage-Backed Securities (MBS) Only

Issuer/Servicer Risk

Fannie Mae and Freddie Mac

Shareholder-Owned, Publicly Traded

Implicit Government Guarantee to Lenders and Investors

Conventional Loans

MBS and Whole Loan Portfolio

Borrower Credit Risk, Interest Rate Risk, Servicer Risk

Ginnie Stands Out

- Self-sustaining, profitable and wholly-owned government corporation operating within the U.S. Department of Housing and Urban Development
- Securities explicitly backed by the full faith and credit of the U.S. government
- Conservative and stable business model, which significantly mitigates taxpayers' exposure to risk
- Issuers are financially responsible for their securities, even if the underlying mortgage collateral becomes delinquent

You Can Always Count on Ginnie

Ginnie Mae always ensures timely P&I to bondholders. In any economic climate, our role acts as a balance to ensure that mortgages are available to purchase homes and keep rental options accessible.

Ginnie's Business Model & Risk Management

Three levels of protection must be exhausted before Ginnie Mae pays out on its guaranty:

Level 1

Borrower - home equity

Level 2

Federal - loan insurance

Level 3

Issuer - equity

Level 4

Ginnie Mae - only incurs loss on a security in the rarest cases

Lenders

Originate loans under guidelines of federal credit programs



FHA, VA, RD, or PIH

Insure or guarantee loans



Issuers

(Often the Lenders or their affiliates) Pool loans and create mortgage-backed securities



Investors

Purchase securities and receive monthly pass-through of principal and interest from borrowers



Ginnie Mae

Guarantees investors timely payment of principal and interest