



Genworth®
Financial

HOMEOWNER ASSISTANCE PROGRAM

We help people buy a house. And keep it their home.

Genworth Mortgage Insurance

GENWORTH MORTGAGE INSURANCE IS A SAFETY NET FOR LENDERS, INVESTORS AND HOMEBUYERS.

In a strong market or during uncertain times, the dream of homeownership is still very much alive. While some buyers may have a 20% down payment to purchase a home, for others private mortgage insurance is their best option.

Mortgage insurance (MI) helps families buy a house earlier with a single, secure mortgage. It provides financial protection to lenders and investors should the borrower default on the mortgage.

Yet not all mortgage insurance is created equal.

At Genworth, we go well beyond the initial purchase of the home. Through our Homeowner Assistance Program, we help preserve the dream of homeownership and send a lifeline to struggling borrowers.

GENWORTH MORTGAGE INSURANCE: A FINANCIALLY SOUND OPTION.

As any mortgage professional knows, homebuyers without a 20% down payment have options to consider. But what is not commonly known is that MI can be the most viable option — especially from Genworth, a leading mortgage insurer.

Genworth Helps Keep Families in their Homes.

We're committed to stability and security in the mortgage marketplace. Insuring loans that will be successful for homeowners is imperative in today's changing housing environment. In the past, homebuyers were able to obtain a mortgage without 20% down using risky "combo" loans. As market conditions have worsened, so has the family's ability to make the rising mortgage payments. For all too many, foreclosure has become a looming possibility.

Yet with mortgage insurance from Genworth, these unfortunate circumstances may have been prevented — because in addition to insurance, we extend a helping hand to homebuyers through our Homeowner Assistance Program.

With Genworth Mortgage Insurance, borrowers can buy a house years sooner. And our innovative products and services help keep them secure in that home if times get tough.

SOONER.
SAFER.
SMARTER.

Immediate and Long-Term Benefits of Genworth MI

- ✓ Helps homebuyers safely purchase a home without 20% down.
- ✓ Affordable, predictable premium means no surprises along the way.
- ✓ Tax-deductible MI premium puts money back in homebuyers' pockets each year.*
- ✓ MI may be cancelled once borrower acquires 20% equity in the home.**
- ✓ *Counseling Saver* offers borrowers a discount for taking the time to become smarter homebuyers.
- ✓ *Job Loss Protection* covers up to six months of mortgage payments in the event of involuntary unemployment.
- ✓ *Homeowner Assistance Program* helps homebuyers during difficult financial times.

*Borrowers should consult their tax advisor.

**Per compliance with lender and investor guidelines.

"We are actively managing our existing portfolio and accelerating our Homeowner Assistance loss mitigation efforts focused on keeping people in their homes."

- Kevin Schneider
President and CEO
Genworth Mortgage Insurance



HELPING HOMEOWNERS AVOID FORECLOSURE — AND LENDERS AVOID FINANCIAL LOSS.

Our survey research shows that over 80% of likely MI borrowers would pay more for a low down payment loan with Homeowner Assistance.

The Homeowner Assistance Program is an integral part of every Genworth Mortgage Insurance policy — at no additional cost to the homeowner, lender or servicer.

Backed by more than 15 years of experience in foreclosure prevention, and deep industry knowledge, Genworth’s Homeowner Assistance Representatives work with Servicers and directly with delinquent borrowers to identify solutions to keep families in their homes and avoid foreclosure. For lenders, our Homeowner Assistance Program provides an extra layer of protection when borrowers have difficulty making their mortgage payments.

Typically, borrower workouts are initiated by the Servicer and then submitted to Genworth for review and approval (“reactive workouts”). When appropriate, workouts can also be initiated by Genworth (“proactive workouts”); we either reach out to the borrower or they contact us directly. With proactive workouts, we complete the workout and submit back to the Servicer for approval. Either way, we never bypass the Servicer and always support all involved.

A Range of Workouts to Accommodate Virtually Any Hardship.

To help increase the borrower’s chance for successful homeownership, Genworth employs all industry standard workout tools. Our strategy is to “cure” first, and then recommend non-cure workouts if continued homeownership simply isn’t possible.

Keeps Borrowers in Their Homes (Cure-Related Workouts)

- **Repayment Plan** – Allows a borrower a given time frame to bring the loan current by making scheduled payments towards the delinquent amount in addition to normal payments.
- **Forbearance** – Allows a borrower to suspend scheduled monthly payments or pay less than the scheduled monthly payments for a specified time frame.
- **Loan Modification** – A written agreement between the borrower and the Servicer/investor that changes one or more terms of the original note in order to assist the borrower in curing the delinquency.
- **Borrower Assistance Program** – Genworth advances funds on behalf of a qualified but delinquent borrower who is experiencing a financial hardship. The borrower executes a “zero” percent interest note payable to Genworth for the advanced amount.

Assists Borrowers in Selling Before Foreclosure (Non-Cure-Related Workouts)

- **Short Sale** (also called pre-foreclosure sale, compromise sale or presale) – the borrower’s sale of the mortgaged property prior to foreclosure when the net proceeds are less than the payoff of the loan.
- **Deed-In-Lieu of Foreclosure** – The acceptance of a deed from the borrower prior to foreclosure to avoid a lengthy foreclosure, and additional interest accrual and expenses.

SETTING NEW STANDARDS THROUGH INNOVATION AND THOUGHT LEADERSHIP.

Genworth's commitment to the homebuyer and lender is evident in our people, our processes and our technology.

- We offer several webinar training opportunities for Servicers, Loan Officers and Realtors to increase awareness of our Homeowner Assistance Program and help keep borrowers in their homes.
- **Industry First!** Our quarterly Foreclosure Prevention Scorecard brings new insights to the industry, illustrating state-by-state trends in Homeowner Assistance. Using Genworth's own workout data, the Scorecard offers a representative snapshot of workout activity across the U.S.

- **Industry First!** Our secure website, genworth.com/HOA, gives Genworth-insured borrowers 24/7 access to workout-related processes. When borrowers submit their information electronically, Genworth does quicker evaluations and borrowers receive faster resolutions.
- SmarterMI.com provides interactive educational information, tools and resources on Genworth products, services and the benefits of mortgage insurance.

Strength in Our Numbers

2005 5,108 total workouts;
91% cure-related

2006 8,294 total workouts;
91% cure-related

2007 8,586 total workouts;
92% cure-related

2008 13,807 total workouts;
90% cure-related

2009 Over 14,000 workouts projected

- On the government relations front, Genworth has been working with regulators, the GSEs and legislators on Capitol Hill to identify rescue solutions for troubled borrowers and to help ensure that the underwriting mistakes of the past are eradicated. From sponsoring events in Washington, D.C. with top industry experts to lobbying, Genworth is actively seeking to identify solutions for the mortgage industry.



- Our eLMO Fast Track® allows Servicers to access our system online at miservicing.genworth.com and obtain automated workout approvals.

Learn more about Genworth's Homeowner Assistance Program or enroll in a training module today. Visit SmarterMI.com, contact your local Genworth Account Representative, or call the ActionCenter® at 800 444.5664.

FREQUENTLY ASKED QUESTIONS

Q: *Do all mortgage insurance companies offer homeowner assistance programs directly to the borrower?*

A: While some are developing programs, Genworth has many more years of experience working directly with the borrower on “proactive” workouts, utilizing all available industry workout types.

Q: *Does Genworth change the terms or interest rate on a delinquent loan?*

A: No. Genworth works with the Servicer to determine which workout solution will provide the best possible outcome for successful homeownership, but doesn’t implement it.

Q: *If a borrower who needs assistance comes directly to Genworth or is contacted by Genworth, does Genworth get the credit?*

A: No. We simply work up a recommendation, then hand the recommendation off to the Servicer for approval. Only the Servicer receives any available incentive or investor credit.

Q: *There is a bigger focus on short sales today. Can you offer any expertise in this area?*

A: Yes. As short sales have become an increasingly popular workout type, Genworth offers training for our lender’s realtor partners. For more information, log onto SmarterMI.com or contact your Genworth sales representative for a calendar of scheduled webinars.

Q: *Where can I learn more about Genworth’s Homeowner Assistance program?*

A: Genworth offers webinars to help the novice and seasoned mortgage and real estate professional learn more about mortgage insurance and Homeowner Assistance. Simply log onto SmarterMI.com for more information or contact your Genworth sales representative.

Q: *Besides Homeowner Assistance, why should I consider putting borrowers in a loan with Genworth MI?*

A: Mortgage insurance offers many benefits for the borrower, including added protection. If 20% down isn’t available, mortgage insurance enables the family to finance a home with a single, secure mortgage. Premiums are fixed and predictable — as compared to the proven unstable piggyback or combo loan — and tax deductible, saving the homeowner potentially hundreds in savings each year. Pre-purchase counseling can help the borrower earn a discount on their MI premium, and, should the homeowner become unemployed, Involuntary Unemployment Insurance covers up to six months of mortgage payments.

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