ESSENT
ESSENT GUARANTY, INC.

Announcement

Date: July 15, 2011

New Tiered Rate Plans

Effective Date: August 15, 2011

Essent is pleased to introduce Tiered Rates for monthly and single premium plans. These plans will be effective for all commitments issued on or after August 15, 2011, and will be available for both borrower-paid and lender-paid mortgage insurance. Tiered Rates will enable our lender partners to provide lower mortgage insurance rates to more borrowers. **In combination with our capital strength and the unparalleled protections provided in our Clarity of Coverage℠ master policy endorsement, the new rate plan clearly positions Essent as an exceptional counterparty in the mortgage insurance industry.**

Highlights of Changes

» New base rates and adjustments will reflect lower monthly rates for borrowers with FICOs ≥ 720.

Rate Change Comparison: Fixed 30-Year Monthly BPMI, FICO ≥ 720*

LTV Ratio	Standard Coverage	Existing Rate	August 15th Rate	Rate Change
90.01-95%	30%	0.94	0.67	*-0.27*
85.01-90%	25%	0.62	0.49	*-0.13*
85% & Below	12%	0.38	0.32	*-0.06*

» Please visit www.essent.us to view the new Tiered Rate cards.

» Effective August 15, 2011, the Essent Online MI Ordering system and Rate Finder will be updated to reflect the tiered rate plans.

Thank you and please do not hesitate to contact your Account Manager or Client Services at 1.877.569.6547 with any questions.

For a list of Frequently Asked Questions, please see the next page.

Frequently Asked Questions

Q. How will Essent's Tiered Rates affect borrowers?

A. Borrowers with credit scores of 720 and higher will generally receive the same or lower monthly rates.

Q. Will Tiered Rates become Essent's standard rates?

A. Yes, Tiered Rates will be in effect for new commitments issued on or after August 15, 2011.

Q. Will the new Tiered Rates be available nationwide?

A. Essent's Tiered Rates will be available in all states and the District of Columbia by the August 15th effective date, except in Alaska and New York. MI coverage in AK and NY will receive the current rates pending approval of Tiered Rate Plans in those two states. Rate availability information will be posted to our web site at www.essent.us, and regularly updated.

Q. Will there be any changes to how I order MI with tiered pricing?

A. No, our new rate plans will not affect the way you order MI from Essent. We continue to accept applications by EDI, paper, fax and through Essent Online.

Q. Will borrowers receive a Fair Credit Reporting Act (FCRA) notification if their credit score is below 720?

A. FCRA requires us to provide the borrower with notification when, based on the credit information used, the premium rate we charge is higher than our best available rate.

Q. Does the FCRA notification apply to both delegated and non-delegated loans?

A. Yes. We send out the FCRA notification when appropriate regardless of whether the MI application is submitted on a delegated or non-delegated basis.

Q. Will Rate Finder provide Tiered Rate quotes?

A. Yes, as of August 15th, Essent's Rate Finder will provide rate quotes based on our new Tiered Rates.

Q. Whom should I call if I have general questions regarding Essent's new Tiered Rates?

A. For general Tiered Rate questions, contact your Essent account manager, or Client Services at 1.877.569.6547 or clientservices@essent.us.

Q. Whom should I call if I have questions pertaining to Essent's new Tiered Rates on an individual loan?

A. For individual loan questions, contact Underwriting, 1.877.330.3535 or underwriting@essent.us or contact your Account Manager.