



CREDIT RISK TRANSFER (CRT) UPDATE

FOR PERIOD ENDING: MARCH 31, 2020



ESSENT[®]
GROUP

FRIDAY, MAY 8, 2020

DISCLAIMER

This presentation may include “forward-looking statements” which are subject to known and unknown risks and uncertainties, many of which may be beyond our control. Forward-looking statements generally can be identified by the use of forward-looking terminology such as “may,” “will,” “should,” “expect,” “plan,” “anticipate,” “believe,” “estimate,” “predict,” or “potential” or the negative thereof or variations thereon or similar terminology. Actual events, results and outcomes may differ materially from our expectations due to a variety of known and unknown risks, uncertainties and other factors. Although it is not possible to identify all of these risks and factors, they include, among others, the following: the impact of COVID-19 and related economic conditions; changes in or to Fannie Mae and Freddie Mac (the “GSEs”), whether through Federal legislation, restructurings or a shift in business practices; failure to continue to meet the mortgage insurer eligibility requirements of the GSEs; competition for customers; lenders or investors seeking alternatives to private mortgage insurance; an increase in the number of loans insured through Federal government mortgage insurance programs, including those offered by the Federal Housing Administration; decline in new insurance written and franchise value due to loss of a significant customer; decline in the volume of low down payment mortgage originations; the definition of “Qualified Mortgage” reducing the size of the mortgage origination market or creating incentives to use government mortgage insurance programs; the definition of “Qualified Residential Mortgage” reducing the number of low down payment loans or lenders and investors seeking alternatives to private mortgage insurance; the implementation of the Basel III Capital Accord discouraging the use of private mortgage insurance; a decrease in the length of time that insurance policies are in force; uncertainty of loss reserve estimates; deteriorating economic conditions; our non-U.S. operations becoming subject to U.S. Federal income taxation; becoming considered a passive foreign investment company for U.S. Federal income tax purposes; and other risks and factors described in Part I, Item 1A “Risk Factors” of our Annual Report on Form 10-K for the year ended December 31, 2019 filed with the Securities and Exchange Commission on February 18, 2020, as subsequently updated through other reports we file with the Securities and Exchange Commission. Any forward-looking information presented herein is made only as of the date of this press release, and we do not undertake any obligation to update or revise any forward-looking information to reflect changes in assumptions, the occurrence of unanticipated events, or otherwise.

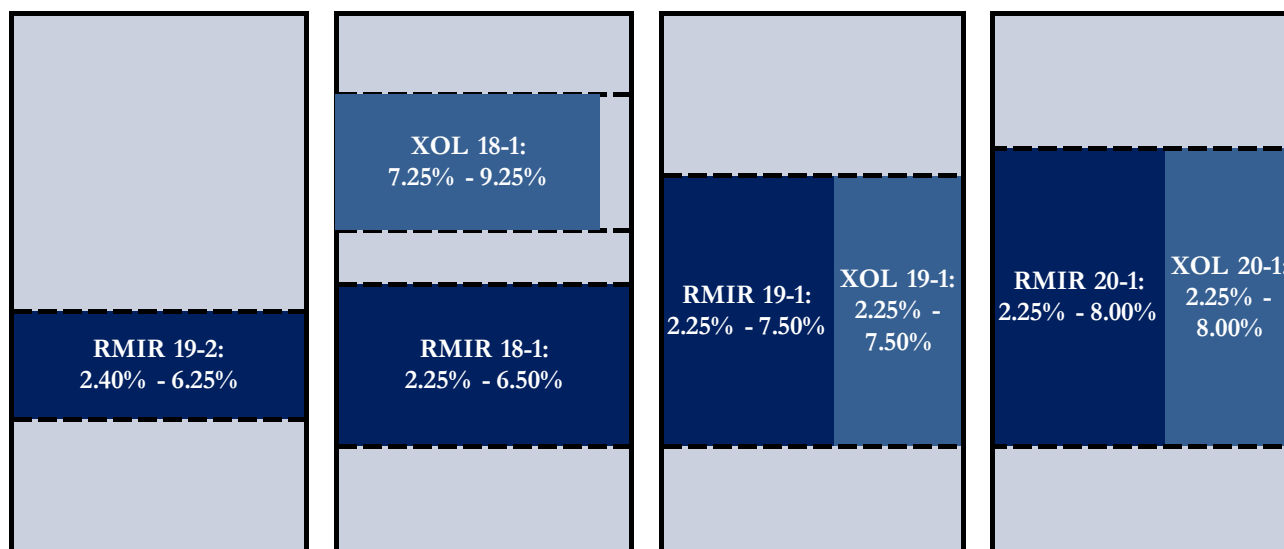
COMPLETED CRT TRANSACTIONS: CLOSING INFORMATION

	RADNOR RE 2020-1 (RMIR 20-1)	XOL 2020-1 (XOL 20-1)	RADNOR RE 2019-2 (RMIR 19-2)	RADNOR RE 2019-1 (RMIR 19-1)	XOL 2019-1 (XOL 19-1)	RADNOR RE 2018-1 (RMIR 18-1)	XOL 2018-1 (XOL 18-1)
CLOSING DATE	January 30, 2020	January 30, 2020	June 20, 2019	February 28, 2019	February 28, 2019	March 22, 2018	November 1, 2018
NIW PERIOD	January 2019 - August 2019	January 2019 - August 2019	January 2015 - December 2016	January 2018 - December 2018	January 2018 - December 2018	January 2017 - December 2017	January 2017 - December 2017
BOND ISSUANCE / REINSURANCE LIMIT	\$495,889,000	\$55,102,000	\$333,844,000	\$473,184,000	\$118,650,000	\$424,412,000	\$165,167,226
TRANCHE SIZING	M-1A: \$94,866,000 M-1B: \$133,675,000 M-1C: \$77,617,000 M-2A: \$125,051,000 M-2B: \$43,120,000 B-1: \$21,560,000	M-1A: \$10,541,000 M-1B: \$14,853,000 M-1C: \$8,625,000 M-2A: \$13,895,000 M-2B: \$4,792,000 B-1: \$2,396,000	M-1A: \$125,734,000 M-1B: \$186,432,000 B-1: \$21,678,000	M-1A: \$84,547,000 M-1B: \$174,563,000 M-2: \$192,937,000 B-1: \$21,137,000	M-1A: \$28,183,000 M-1B: \$39,625,000 M-2: \$43,796,000 B-1: \$7,046,000	M-1: \$189,737,000 M-2: \$209,710,000 B-1: \$24,965,000	X-1: \$187,112,603
SPREAD	M-1A: 0.95% M-1B: 1.45% M-1C: 1.75% M-2A: 2.00% M-2B: 2.25% B-1: 3.00%	-*	M-1A: 1.20% M-1B: 1.75% B-1: 2.70%	M-1A: 1.25% M-1B: 1.95% M-2: 3.20% B-1: 4.45%	-*	M-1: 1.40% M-2: 2.70% B-1: 3.80%	-*
INITIAL CREDIT ENHANCEMENT	M-1A: 6.90% M-1B: 5.35% M-1C: 4.45% M-2A: 3.00% M-2B: 2.50% B-1: 2.25%	M-1A: 6.90% M-1B: 5.35% M-1C: 4.45% M-2A: 3.00% M-2B: 2.50% B-1: 2.25%	M-1A: 4.80% M-1B: 2.65% B-1: 2.40%	M-1A: 6.50% M-1B: 4.60% M-2: 2.50% B-1: 2.25%	M-1A: 6.50% M-1B: 4.60% M-2: 2.50% B-1: 2.25%	M-1: 4.60% M-2: 2.50% B-1: 2.25%	X-1: 7.25%
DBRS / MORNINGSTAR CREDIT RATING	M-1A: BBB (low) M-1B: BB (high) M-1C: BB (low) M-2A: B M-2B: B (low) B-1: NR	N/A	M-1A: AA- M-1B: A- B-1: BBB+	M-1A: A- M-1B: BBB- M-2: BB- B-1: B+	N/A	M-1: BBB M-2: BB- B-1: B+	N/A

* Pricing has not been publicly disclosed for XOL agreements.

CRT SUMMARY: AS OF CLOSING

INDEX KEY:	
	ESSENT RETAINS
	XOL
	ILN



VINIAGE YEAR:		2015 & 2016	2017	2018	2019 (JAN-AUG)
IIF AT CLOSING \$M	Insurance in Force (IIF):	\$32,080	\$40,551	\$45,036	\$38,018
RISK IN FORCE CUT-OFF: AT CLOSING \$M	ILN	\$8,671	\$9,986	\$11,273	\$9,582
	XOL	\$8,671	\$9,356	\$11,273	\$9,582
FIRST LOSS LAYER: AT CLOSING \$M	ILN	\$208	\$225	\$254	\$216
	XOL	-	\$678	\$254	\$216
ORIGINAL REINSURANCE IN FORCE \$M	ILN	\$334	\$424	\$473	\$496
	XOL	-	\$165	\$119	\$55
	Total:	\$334	\$590	\$592	\$551
INSURANCE LINKED NOTE TRANSACTIONS (ILN) ¹	Attachment:	2.40%	2.25%	2.25%	2.25%
	Detachment:	6.25%	6.50%	7.50%	8.00%
EXCESS OF LOSS AGREEMENTS (XOL) ²	Attachment:	-	7.25%	2.25%	2.25%
	Detachment:	-	9.25%	7.50%	8.00%
TARGET CREDIT ENHANCEMENT %	ILN	6.50%	7.25%	8.50%	9.00%
	XOL	-	N/A	8.50%	9.00%

CRT SUMMARY: AS OF MARCH 31, 2020

INDEX KEY:	
ESSENT RETAINS	
XOL	
ILN	
QSR	



		REMAINING IIF	2015 & 2016	2017	2018	2019 (JAN-AUG)	SEP-19 - MAR-20	TOTAL:
INSURANCE IN FORCE \$M		\$13,751	\$25,025	\$26,279	\$31,376	\$34,916	\$34,269	\$165,616
% OF TOTAL IIF		8%	15%	16%	19%	21%	21%	100%
REMAINING RISK IN FORCE \$M		\$3,090	\$6,762	\$6,665	\$7,924	\$8,827	\$8,598	\$41,866
REMAINING REINSURANCE IN FORCE \$M	ILN	-	\$244	\$280	\$378	\$496	-	\$1,398
	XOL	-	-	\$165	\$88	\$55	-	\$308
	Sub Total:	-	\$244	\$445	\$465	\$551	-	\$1,706
	QSR	-	-	-	-	-	\$1,870	\$1,870
LOSSES CEDED TO DATE \$M		-	-	-	-	-	-	-
REMAINING FIRST LAYER RETENTION			\$208	\$222	\$253	\$216	-	\$899
INSURANCE LINKED NOTE TRANSACTIONS (ILN) ¹	Attachment: ³	-	3.08%	3.33%	3.19%	2.44%	-	-
	Detachment:	-	6.69%	7.53% ⁵	9.07%	8.68%	-	-
EXCESS OF LOSS AGREEMENTS (XOL) ²	Attachment: ³	-	-	7.25% ⁵	3.19%	2.44%	-	-
	Detachment:	-	-	10.06%	9.07%	8.68%	-	-
PMIERS CAPITAL CREDIT \$M ⁴	ILN	-	\$192	\$242	\$298	\$417	-	\$1,150
	XOL	-	-	-	\$68	\$45	-	\$113
	QSR	-	-	-	-	-	\$127	\$127
	Total:	-	\$192	\$242	\$366	\$462	\$127	\$1,390