pmi
THE PMI GROUP, INC.
601 Montgomery Street
San Francisco, CA 94111

NEWS RELEASE

INVESTOR AND MEDIA CONTACT: Glen Corso
(415) 393-6429

FOR IMMEDIATE RELEASE: **DRAFT**

PMI MORTGAGE INSURANCE EXPANDS NATIVE AMERICAN LENDING NATIONWIDE WITH $55 MILLION COMMITMENT

SAN FRANCISCO, July 8, 1999 — PMI Mortgage Insurance Company today announced that it had expanded its Native American mortgage insurance initiative nationwide and increased the amount of the commitment to $55 million. PMI is insuring home mortgages for members of four Indian tribes, Choctaw Nation of Oklahoma, Chickasaw Nation, Citizen Potawatomi and Cherokee Nation. In addition PMI is in the final stages of negotiating agreements with the Navajo, Acoma Pueblo and Isleta Pueblo, that will provide home mortgages to members of those tribes as well. In the case of the Acoma and Isleta Pueblos, these loans would constitute the first mortgages ever made on tribal lands.

"We are honored to have the opportunity to meet the homeownership aspirations of the Choctaw, Chickasaw, Potawatomi, and Cherokee tribes," said W. Roger Haughton, Chairman and CEO of PMI. "Making it possible for hard-working men and women to buy their own homes is our business, and it gives us great satisfaction when we

-more-

can help make that possible for members of Native American tribes that traditionally have not been well served by the housing finance industry."

Under the Native American mortgage insurance initiative PMI agrees to insure loans that require as little as a 1 percent downpayment from the home buyer with flexible underwriting guidelines and risk shared between the Indian tribes and PMI. Over 76 loans have already been made under the initiative and over 100 loans are in process.

The Native American tribes are able to utilize funds received under the Native American Housing Assistance and Self-Determination Act (NAHSDA), enacted in 1996, to fund their obligations under the risk sharing agreement with PMI. The risk sharing agreement permits the tribes to leverage their NAHSDA funds to assist a greater number of tribal members to achieve homeownership.

PMI's commitment to Native American tribes is to also help them become stand-alone mortgage entities with access to capital markets and the agencies. Through PMI's partnership with First Americans Mortgage Corp. in Lenexa, Kansas, a totally unique delivery system for mortgage loans has emerged. First Americans Mortgage, a Native American company, works with each Indian nation to develop the expertise necessary to work with prospective home buyers. In doing so, the home buyer works with members of their own tribe to begin the application process and become pre-qualified. The loans are then sent to First Americans Mortgage for processing, closing and funding. PMI

-moreunderwrites each loan for investment quality for sale to Freddie Mac. Under this process, the tribes are empowered to develop valuable mortgage origination experience so that they can one day sell their loans directly on the secondary market. Such is the case with the Citizen Potawatomi tribe in Shawnee, Oklahoma. First National Bank of Shawnee is 100 percent owned and managed by the Citizen Potawatomi Nation, and is the only Native American bank that is federally chartered and managed by Native Americans. Moreover, with PMI's assistance, several of the tribes are establishing and running their own home buyer counseling programs that feature pre-purchase, post-purchase and long-term credit counseling for their members.

In addition, PMI is currently working with First Americans Mortgage and Fannie Mae to develop programs that will assist underserved Native Americans living in metropolitan settings. Plans call for the development of affordable housing initiatives utilizing Indian Centers located throughout the United States.

PMI Mortgage Insurance Co., with headquarters in San Francisco, is the second largest private mortgage insurer in the United States based on first quarter 1999 new insurance written. PMI together with its parent company, The PMI Group, Inc. (NYSE:PMA), and its corporate affiliates, is a leader in risk management technology, and provides various products and services for the home mortgage finance industry, as well as title insurance

###

PMI Mortgage Insurance Co. to Build Fourth Annual 'PMI House' at Habitat for Humanity's Jimmy Carter Work Project

Company Volunteers Head to Pikeville, KY to Help Build 52 Houses in One Week

SAN FRANCISCO, June 16 /PRNewswire/ -- Volunteers from PMI Mortgage Insurance Co. (PMI) headed by W. Roger Haughton, President and Chief Executive Officer of PMI's parent company, The PMI Group, Inc., (NYSE: PMA) are joining hundreds of people from across the country this week to participate in Habitat for Humanity International's 1997 Jimmy Carter Work Project in Pikeville, KY and other Appalachian communities in Kentucky and Tennessee. Since 1993, PMI has sponsored houses at Jimmy Carter Work Projects in Los Angeles and Eagle Butte, SD and at Habitat's 20th Anniversary "Blitz Build" in Americus, GA.

During this week's "Blitz Build", Haughton and 15 PMI employees will work alongside the future homeowners to build the "PMI House", one of the 52 houses that will be built between June 15 and 21 for low-income families in seven different Kentucky and Tennessee communities. PMI is contributing funds to purchase materials for the construction of the "PMI House".

"PMI's commitment to Habitat and the Jimmy Carter Work Project underscores the strength of our mission to expand homeownership opportunities and to work closely with communities and low-income families who have the desire, ability, and drive to own their own homes," said Haughton. "Strapping on a tool belt and building houses with Habitat and President Carter not only fulfills a corporate goal at PMI, it energizes our employees' personal commitment to make the American Dream a reality for more low- and moderate-income families across the nation."

In addition to supporting the "Blitz Build", earlier this year PMI gave further support to Habitat as one of the first companies to purchase bonds from Habitat's very first offering of "Linda Mae" bonds, securities issued by Habitat and backed by no-interest mortgages on Habitat-built homes. The proceeds from the first offering have allowed Habitat to begin work on additional housing.

"We are thrilled that PMI is joining us for our 14th Annual Jimmy Carter Work Project" said Millard Fuller, Habitat for Humanity International's founder and president. "PMI's extraordinary energy, enthusiasm and commitment are one reason our annual Jimmy Carter Work Projects are so successful. Roger and his team are true friends of Habitat for Humanity and affordable homeownership."

The 1997 "PMI House" is being built with Linda Smith, who has four grown children ranging in age from 31 to 35 and six grandchildren. Ms. Smith, who works at the Velocity Market in Pikeville, lives in a small mobile home and is looking forward to having a larger home where her grandchildren will have room to visit and play.

Pikeville (pop: 60,000) is located in Southeastern Kentucky. According to the local Habitat for Humanity affiliate, housing costs in Pikeville are 18 percent above the national average, the unemployment rate there is more than twice the national average, and substandard housing conditions are common for many of the region's citizens.

Last year, PMI sponsored a house and sent 15 volunteers to Habitat's hometown of Americus, GA to participate in Habitat's 20th Anniversary "Blitz Build". PMI has also sent volunteers and sponsored homes at the 1995 Jimmy Carter Work Project in South Central Los Angeles and the 1994 Jimmy Carter Work Project in Eagle Butte, SD and has raised tens of thousands of dollars for several local Habitat for Humanity affiliates. In 1993, PMI partnered with Habitat for Humanity in Oakland, Los Angeles, Tampa, Dallas and Atlanta and raised significant contributions for local Habitat affiliates.

Habitat for Humanity International is a non-profit Christian housing organization, founded and headquartered in Americus, GA. The organization has 1,356 affiliates in 54 nations and builds houses in partnership with low-income families. Habitat for Humanity charges no interest on 15-30 year mortgages; participating families must invest "sweat equity" in the construction of their houses.

The PMI Group, Inc. is a publicly traded company headquartered in San Francisco. Its subsidiary, PMI Mortgage Insurance Co. is licensed to do business in all 50 states and the District of Columbia, and is the third largest private mortgage guaranty insurer in the United States based on 1996 year-end insurance-in-force of $77.3 billion. A leader in mortgage and EDI technology, PMI Mortgage Insurance Co. was the first mortgage insurance company to commercially introduce an automated underwriting and mortgage scoring system; the pmiAURA(SM) system is currently licensed by five of the nation's top ten mortgage lenders.

SOURCE PMI Mortgage Insurance Co.

PMI Mortgage Insurance Co., Freddie Mac and Washington Mutual Announce New $10 Million Homeownership Initiative With the Choctaw Nation

SAN FRANCISCO, Sept. 15 /PRNewswire/ -- Choctaw Citizens of the Choctaw Nation in Oklahoma can now purchase a home with as little as one percent of the purchase price coming from their own funds through a new $10 million program announced today by the Choctaw Nation, PMI Mortgage Insurance Co. (PMI), Freddie Mac and Washington Mutual. The program is designed to take advantage of funds available under the 1996 Native American Housing Assistance and Self-Determination Act (NAHASDA), which was created to promote affordable housing opportunities on and off Native American lands.

"We are one of the first in the nation to leverage funds like this, using NAHASDA to offer this advantage to homebuyers," said Chief Gregory E. Pyle of the Choctaw Nation. "We will begin the Choctaw Homebuyers Advantage Program (CHAP) inside the Choctaw Nation immediately and expect the program to be fully implemented to assist Choctaws statewide as soon as October," said Chief Pyle.

The $10 million initiative is targeted to all Choctaw citizens residing in Oklahoma, regardless of income. This collaborative is expected to help more than 200 borrowers obtain purchase, rehabilitation or refinance mortgage financing.

"We are proud to work with our partners to assist Choctaws in the attainment of homeownership. This initiative is indicative of what can be accomplished when various participants come together to leverage resources and opportunities. Today's announcement underscores PMI's commitment to making homeownership accessible and affordable to all borrowers who have the desire to own a home," said W. Roger Haughton, Chairman and Chief Executive Officer of PMI.

"Freddie Mac is pleased to participate in an initiative that increases affordable homeownership opportunities for the Choctaw people," said Mike Coffey, Vice President for Expanding Markets at Freddie Mac. "We are proud to work with such committed people and organizations to help fulfill the dream of homeownership for hundreds of Choctaw families."

"Washington Mutual has a long history of making the dream of homeownership a reality," said Beth Castro, Vice President of Community Programs. "We are delighted to join with our partners to develop innovative programs to serve Native American Communities."

The new program permits low downpayments on owner-occupied single-family homes, and allows for borrowers to qualify for mortgages, using non-traditional credit sources. The program also allows for the rehabilitation of single-family properties, as well as new construction, A three-percent downpayment is standard, although through this program a borrower can take advantage of a special one-percent downpayment option. The remaining two-percent downpayment, along with closing costs, can come from a revolving loan fund offered by the Choctaw Nation, which features a low interest rate.

"One Way the CHAP assistance program will be a long-term advantage is that the money loaned out to higher income families will come back to us through payments, with interest, creating additional profits to benefit more low income families with housing," said Rusty Sossaman, Executive Director of the Choctaw Housing Authority.

The Choctaw Nation, headquartered in Oklahoma, is the third largest Native American tribe in the nation, with approximately 110,000 members.

The PMI Mortgage Insurance Co., based in San Francisco, is the third largest private mortgage insurer in the United States based on 1997 year-end insurance in force, in addition to private mortgage insurance, PMI, with its parent company The PMI Group, Inc. (NYSE: PMA) and corporate affiliates, is a leader in risk management technology, and provides various products and services for the home mortgage finance industry including title insurance.

Freddie Mac is a stockholder-owned corporation established by Congress in 1970 to create a continuous flow of funds to mortgage lenders in support of home ownership and rental housing. Freddie Mac purchases mortgages from lenders and packages them into securities that are sold to investors. Over the years, Freddie Mac has opened doors for one in six homebuyers in America.

With a history dating back to 1889, Washington Mutual is a financial services company that provides a diversified line of products and services to consumers and small- to mid-sized businesses. At June 30, 1998, Washington Mutual and its subsidiaries had consolidated assets of $103.4 billion. The company operates more than 1,600 offices throughout the nation.

SOURCE PMI Mortgage Insurance Co.

Web Site: http://www.pmigroup.com

Company News On Call: http://www.prnewswire.com or fax, 800-758-5804, ext. 706963

Minority Borrowers Expected to Benefit From Expansion of PMI-Designed Credit Flex Mortgage

SAN FRANCISCO, March 2 /PRNewswire/ -- African-American, Hispanic and other minority borrowers are expected to benefit from the recently announced geographic expansion of the Neighborhood Advantage Credit Flex mortgage, jointly developed by PMI Mortgage Insurance Co. and Bank of America. Credit Flex allows borrowers a variety of flexible means to establish their creditworthiness, features low-downpayment requirements and is now available in 35 states and the District of Columbia.

PMI partnered with Bank of America in the design and implementation of the Credit Flex mortgage and is currently the main provider of mortgage insurance on these loans.

"African-American, Hispanic and other minority borrowers have been significant participants in Bank of America's Credit Flex mortgage program," noted David Katkov, PMI's Senior Vice President for Product Development and Pricing. "With the geographic expansion of Credit Flex, and the one percent downpayment requirement, we think that an even greater number of minority qualified borrowers, as well as low and moderate income borrowers in general, will be well served by this program. At PMI we are committed to expanding homeownership affordability through a greater range of choices for borrowers. Bank of America has been a wonderful partner for us to work with in furthering these goals."

To date some 747 families have achieved their dreams of homeownership through Credit Flex, totaling $80.1 million of loans. Approximately 33 percent of the Credit Flex program borrowers have been minorities.

Credit Flex permits a borrower's credit history to be established by assessing the borrower's timeliness in meeting financial obligations such as rent and utility payments. A portion of a borrower's income that is derived through part-time and casual employment may be considered in the application process. Only a three percent downpayment is needed, with a minimum of one percent from the borrower's funds. That downpayment requirement can be the lower of one percent or $500 in Los Angeles, Arizona, New Mexico and Nevada. The balance of the downpayment may come from a gift, grant or other loan. In addition a borrower could devote 45 percent, rather than the traditional 38 percent, of their income to housing costs and still qualify for a Credit Flex mortgage. To be eligible for this loan a borrower's income may be no more than 80 percent of the median income for the area in which they live.

The insurance provided for the Credit Flex mortgage is a key part of PMI's array of affordable housing products that include mortgage insurance for: low downpayment loans especially designed for the mortgage credit needs of Native Americans, and a pilot program to insure zero downpayment loans.

PMI Mortgage Insurance Co., with headquarters in San Francisco, is the third largest private mortgage insurer in the United States based on 1998 year-end insurance in force. PMI, together with its parent company, The PMI Group, Inc. (NYSE: PMA), and its corporate affiliates, is a leader in risk management technology, and provides various products and services for the home mortgage finance industry, as well as title insurance.

SOURCE PMI Mortgage Insurance Co.

Web Site: http://www.pmigroup.com

Company News On Call: http://www.prnewswire.com/comp/706963.html or fax, 800-758-5804,

1999 SOCIAL COMPACT AWARDS APPLICATION

SOCIAL
COMPACT

- Native American Indian Housing Council
- Chickasaw Nation Division of Housing
- PMI Mortgage Insurance Company

— September 1999 —

NEIGHBORHOOD PARTNER APPLICATION: **National American Indian Housing Council**

Organization:	National American Indian Housing Council
Contact Person:	Christopher D. Boesen
Title:	Executive Director
Address:	900 Second Street, N.E., Suite 007, Washington, DC 20002
Telephone:	(202) 789-1754
Fax:	(202) 789-1758
E-Mail:	Cboesen@NAIHC.net
Organizational Focus:	Advocacy of Indian Housing (Nationally)
Year of incorporation:	1974
Area Served:	USA

1. The Organization

National American Indian Housing Council (NAIHC) is the only national organization dedicated solely to the empowerment, advocacy, promotion and education of Indian housing in America. NAIHC provides the following services and benefits in the area of Indian housing.

Represents over 550 Tribes and 200 Tribally Designated Housing Entities
Furnishes on-site Technical Assistance to tribes and tribal housing organizations on every component of Indian Housing
Maintains the Native American Housing Resource Center
Publishes *The Native American Housing News* (circ. 3,000, nine times a year)
Advocates for policy changes with Congress and the federal government
Operates a Mortgage Partnership Program and other banking-related services
Facilitates regional and national networking opportunities
Conducts an Annual Legislative Conference and Annual Convention

NAIHC's advocacy has been instrumental in increasing Congressional appropriations from $485 million annually to $620 million annually in two years. NAIHC was also involved in the writing, passage and negotiated rulemaking process for the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA). This landmark legislation "deregulated" Indian housing, paving the way for mainstream and conventional mortgage and housing opportunities to begin to occur for the first time on Indian lands.

2. Business Partner's Leadership Role

Indian communities are an area largely untouched by conventional mortgage lenders and other elements of the mortgage lending industry. PMI has demonstrated a willingness to get involved in lending in this area while many of PMI's colleagues remain far removed from Indian Country. The result has been that Indian families who might otherwise be without decent housing are able to buy their own home.

3. Benefits of Alliance

The provision of Indian housing must be a team effort between government, nonprofits and the private sector. The U.S. Congress, tribes and HUD no longer cling to the notion that federal appropriations alone will ever provide the housing needed by Indian families. Participation by partners such as PMI give hope to overcoming this problem. Recently, PMI took part in a consortium of housing industry "star performers" to provide over $10 million of new housing on lands inhabited by the Chickasaw and Choctaw Indian Nations.

The relationship between NAIHC and PMI has been mutually beneficial. NAIHC is a long-time advocate for Indian housing, having been chartered 24 years ago expressly to support tribal housing programs. The alliance of PMI and NAIHC provides PMI with access and recognition throughout the Indian housing community. In turn, PMI provides NAIHC with a powerful partner and resource for generating new homes for Indian families. Even more importantly, the involvement of PMI helps us convince other businesses that Indian Country is a viable market, one that they should participate in as well.

In closing, the alliance of National American Indian Housing Council and PMI Insurance Company is an excellent example of how goodwill, commitment and effectiveness between diverse partners can make a lasting difference in the lives of Indian families around the country.

NEIGHBORHOOD PARTNER APPLICATION: **Chickasaw Nation Division of Housing**

Organization:	Chickasaw Nation Division of Housing
Contact Person:	Robert M. Cheadle
Title:	Housing Administrator
Address:	901 N. Country Club Rd., P.O. Box 788, Ada, OK 74821-0788
Telephone:	580-421-8800
Fax:	580-421-8879
E-mail:	rcheadle@chickasaw.com
Organizational Focus:	Affordable housing
IRS 501(C) (3) ID:	73-1544374 (Governmental agency)
Year of Incorporation:	Created 1997
Area Served:	Oklahoma

1. The Organization

The Chickasaw Nation is a federally recognized Indian nation existing pursuant to federal law and its Constitution. Prior to the implementation of the Native American Housing Assistance and Self Determination Act of 1996 (NAHASDA) on October 1, 1997, all housing programs and housing related services for Chickasaw citizens and their neighbors were operated by the Housing Authority of the Chickasaw Nation, a political subdivision of the state of Oklahoma which was created by the Chickasaw Nation on February 28, 1966. All housing programs and housing related services were funded by the U.S. Department of Housing and Urban Development (HUD) and were subject to its rules and regulations with no input from the Chickasaw Nation.

In anticipation of the implementation of NAHASDA, the executive department of tribal government created the Chickasaw Nation Division of Housing (Division) for the express purposes of assuming the management and operation of housing programs and housing related services, creating new and additional programs and gaining appropriate funding from sources other than HUD. On February 20, 1998, the Chickasaw Tribal Legislature, by resolution, named the Division as the "Tribally Designated Housing Entity," a designation of legal significance under NAHASDA, for the Chickasaw Nation.

2. Business Partner's Leadership Role

Other than from HUD, the first and only funds for housing programs of the Chickasaw Nation are being provided by a partnership consisting of the Chickasaw Nation, PMI Mortgage Insurance Co., Freddie Mac and FT Mortgage Companies, Inc. through its correspondent First Americans Mortgage Company, an Indian-owned loan originator based in Kansas City. Under an agreement, Freddie Mac has pledged to purchase $10,000,000.00 of mortgage loans (approximately 150 - 180 mortgages) made to Chickasaw citizens pursuant to the "Chuka Chukmasi Loan Program" (Loan Program). "Chuka Chukmasi" means "Beautiful Home" in the Chickasaw language.

The Loan Program is premised upon a special mortgage product created for Chickasaw citizens, a previously unserved and underserved population. The mortgage product and the partnership are the first of their kind and PMI Mortgage Insurance Co. (PMI) was the lead player in designing the mortgage product and negotiating with the partners. PMI also educated the

Loan Program administrators in the Division and is primarily responsible for homebuyer education and early intervention counseling, if or when such is needed.

3. Benefits of Alliance

The housing and community development needs of Chickasaw citizens are no less than they are for other Indian tribes across the United States. Generally speaking, Native Americans are the most needy of minority populations for enhanced housing and community development. The Loan Program that has emerged as the result of PMI's efforts is providing opportunities for Chickasaws to own safe, decent, sanitary housing, it is also allowing Indian communities to enhance the quality of life by providing employment opportunities and lifting the self esteem of participants. The education and assistance in the areas of homebuyer education and early intervention counseling provided by PMI to the Chickasaw Nation will assist the Chickasaw Nation to become more self sufficient when providing future mortgage loan programs.

This is the first venture of PMI into the area of Indian housing. The nature of the Indian world is that non-Indian providers must prove themselves to be capable and trustworthy before Indians are willing to put their trust and assets at risk by entering into business arrangements. Even though the Loan

Program was announced at the late date of April 21, 1998, it has been of such great value to the Chickasaw Nation (approximately 4 closings, 4 commitments for construction and sixty applications in the pipeline) that other Indian tribes have expressed interest in similar and even more creative programs through a partnership with PMI. In a very short period of time, PMI has demonstrated to Indian tribes that it is a capable, trustworthy and caring partner for the creation and delivery of Indian housing programs and Indian nations are responding favorably.

Summary

For the first time in history, an American Indian nation and members of the conventional mortgage industry have joined forces to create a culturally sensitive mortgage product for the citizens of the Indian nation. The partnership of the Chickasaw Nation, PMI Mortgage Insurance Co. (PMI), Freddie Mac and FT Mortgage Companies, Inc. through its correspondent First Americans Mortgage Company, an Indian-owned loan originator based in Kansas City has produced a mortgage product named "Chuka Chukmasi" which means "Beautiful Home" in the Chickasaw language. Freddie Mac has agreed to purchase $10,000,000.00 of the mortgage product which will provide between 150 and 180 mortgages to Chickasaw citizens living within the state of Oklahoma.

PMI was the instrumental partner in creating the mortgage product and gathering the partners together. PMI has also entered into a risk sharing agreement which allows the previously unserved and underserved population of Chickasaw citizens, approximately 25,000 of whom live in Oklahoma, to apply for mortgage loans that were not present even six months ago. By creating and implementing the Chuka Chukmasi Loan program, PMI has gained the trust and admiration of the Chickasaw Nation and other Indian tribes and has made headway into the area of Indian housing.

BUSINESS PARTNER APPLICATION: **PMI Mortgage Insurance Co.**

Name of Business:	PMI Mortgage Insurance Co.
Contact Person:	Glen S. Corso
Title:	Assistant Vice President Investor and Public Relations
Address:	601 Montgomery Street, San Francisco, CA 941 11
Telephone:	415-393-6429
Fax:	415-291-6154
E-mail:	Gcorso@pmigroup.com
Industry sector/nature of business:	Private mortgage insurance
Type of office:	Home Office
Size of business:	$1.7 billion in assets, $175 million annual earnings, 32 branches and 751 employees
Geographic Area:	National, all 50 states.

1. Nature of Business and Measures of Success

PMI Mortgage Insurance Co. provides private mortgage insurance that insures mortgage lenders against potential losses in the event of borrower default. By covering default risk on residential first mortgage loans, mortgage insurance facilitates the sale of low down payment mortgages in the secondary mortgage market and expands homeownership opportunities by enabling people to buy a home with a down payment of less than 20 percent. We are proud of our role in helping to fulfill the "American Dream." Our strategic plan calls for us to lead the industry in products technology, services and affordable housing. We believe we are on target to achieve those goals with the work we are doing with our borrower and lender customers.

2. Keys to Business Success in Lower-income and Underserved Markets

PMI is dedicated to making homeownership more affordable for all borrowers and to increasing the availability of mortgage money in underserved communities. We have guaranteed nearly $8B in targeted lending over the past few years. The keys to our success are our ability as a company to provide innovative products and services which meet the special needs of our expanding market borrower, as well as the dedication and commitment of our employees to create these opportunities.

In addition to increasing the availability of mortgage funds in underserved communities, we have formed a partnership with the National Foundation for Consumer Credit (NFCC), and their over 1100 CCCS offices nationally. This partnership provides pre- and post-purchase counseling to expanding market borrowers in order to assist them in meeting their mortgage and other financial obligations.

3. Partnership Impact: Community

PMI's partnership with the Chickasaw, Choctaw and Cherokee Nations was the result of more than a year of dedicated work by PMI staff and our lending partners. Before we initiated a program, it was imperative to understand the needs of the people we were attempting to help. PMI employees spent time with the tribes, learning about their customs and housing needs. The results of this partnership have been overwhelming. Since the announcement of our program with the Chickasaw Nation on April 21, 1998, the Choctaw Nation has also adopted this program and the Cherokee Nation will soon follow. This unique program has brought together the Federal Government, private industry and Native American tribes. The establishment of these programs means that Native Americans have a real opportunity to become self-sufficient homeowners. This is also a historic event, since the Chickasaw, Choctaw and Cherokee Nations are the first tribes to utilize Native American Housing and Self Determination Act (NAHASDA) funds for the purchase or new construction of homes.

4. Partnership Impact: Business

It is conservatively estimated that the Native American market is a $650M a year opportunity. This type of volume, combined with the high quality of loans that we anticipate from these programs, will certainly enhance our ability to meet our strategic goals. Moreover, this program has paved the way for PMI and other community leaders to begin a dialogue on how to successfully offer conventional financing on tribal trust land across the nation. Today, PMI is part of a special task force consisting of the Native American Indian Housing Council (NAIHC), Washington Mutual Bank, Freddie Mac and the Federal Home Loan Bank of Seattle whose charge is to address this issue.

Summary

PMI has formed a partnership with three Native American tribes, the Chickasaw, the Choctaw and the Cherokee Nations, and lenders to expand homeownership opportunities among tribal members. With these programs the Native American tribes utilize funds available to them under the Native American Housing and Self Determination Act (NAHASDA) to provide down payment assistance to tribal members who qualify for loans to purchase a home. PMI's lender partners make the loans which are insured by PMI. These three tribes are the first to utilize funds available under NAHASDA for home purchases. The expansion of homeownership opportunities will enhance self-sufficiency among Native Americans.