

## Home Point Capital completes \$6 billion Ginnie Mae servicing sale

By [Bonnie Sinnock](#) December 05, 2022, 11:19 a.m. EST 1 Min Read

Home Point Capital has completed the sale of \$6.08 billion in mortgage servicing rights to an approved Ginnie Mae issuer, according to a Securities and Exchange Commission filing.

The purchase price was around \$87.5 million, and the sale represented 6.92% of the Homepoint mortgage subsidiary's servicing portfolio as of Sept. 30. The company did not name the buyer of the MSR.

The company has been engaged in sales of Ginnie Mae servicing [for some time](#), and in [its last earnings call](#), executives said it was close to completing its exit from this part of the MSR market.

The amount sold represented around 62.4% of Homepoint's Ginnie Mae servicing portfolio at the third quarter's end, according to the SEC filing. The company said during its earnings call that it had a notional amount of Ginnie Mae servicing equal to around \$8 billion or so remaining.

In total, Homepoint's portfolio had well above \$90 billion in mortgage servicing rights at the end of the third quarter.

Once the exit from Ginnie Mae servicing has been completed, the company plans to sell MSRs more selectively.

"I think at this point, we feel really good about the liquidity position we have, so there's not a need to sell MSRs for us," Willie Newman, the company's president and CEO, said during the company's earnings call.

The Ginnie Mae servicing market is being watched closely for any signs of [imbalance](#) given that some stakeholders have shown concern a pending rule due for implementation [in late 2024](#) could lead to a wave of selling. The original catalyst for Homepoint's plan to sell Ginnie servicing revolved around its interest in paying down debt. A proposed version of the Ginnie rule was out [around that time](#), but it's not clear whether it has played a role in HPC's decision to sell.

The company is compliant with the rule on a pro forma basis, Chief Financial Officer Mark Elbaum said, when asked about it during the company's latest earnings call.

"At this point, I'm comfortable with where we are [relative to the rule]. That's not to say I would take it for granted. We'll be managing it like we do everything else," said Elbaum.